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**Department for Work and Pensions**

**Research Report No 497**

# **Reporting changes in circumstances: Tackling error in the benefit system**

**Annie Irvine, Jacqueline Davidson and Roy Sainsbury**

A report of research carried out by the Social Policy Research Unit at the University of York on behalf of the Department for Work and Pensions

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# Summary

## Introduction

Since 1997 successive governments have pursued a range of policies to reduce the amount of money lost to the social security budget through fraud and error. While levels of fraud have consistently decreased, the problem of error has persisted and its reduction has, therefore, become an important policy objective.

This report presents findings from a qualitative research project to explore benefit claimants' knowledge and understanding concerning changes in circumstances and obligations to report them. The study was commissioned by the Department for Work and Pensions (DWP) and carried out by the Social Policy Research Unit at the University of York in 2006/07. The research was based on a longitudinal panel of 51 claimants who were interviewed three times over the course of nine months.

The objectives of the overall study were focused on the key areas of:

- how claimants experience changes in circumstances;
- their knowledge and perceptions about reporting changes in circumstances;
- their sources of knowledge;
- their experiences of reporting changes;
- experiences and responses to overpayment recovery due to error.

## Findings

### **Claimants' knowledge and understanding of reporting changes in circumstances (Chapter 2)**

There was a wide variety of knowledge among the people in the study group about benefits and their reporting responsibilities. Four **levels of understanding** were identified:

- a general understanding of the responsibility to report changes;
- a broader understanding of the types of change that should be reported;
- a deeper understanding of the details that need reporting;
- knowledge of the effect of changes on levels of benefit.

Most people were aware, generally, that they should report changes in circumstances and the majority had an awareness of at least some key areas of life where a change in circumstances might affect their benefits. However, people were less clear about the detail of what they had to report and when to do it. We found many examples of confusion and incomplete or inaccurate knowledge that affected whether people reported changes.

### **Claimants' sources of knowledge and views on their adequacy (Chapter 3)**

People in the study referred to a range of ways in which they received information about benefits and reporting changes in circumstances. These included:

- written information (mainly through official letters and leaflets);
- verbal information (from benefit staff, advice agencies and others);
- media (newspapers, television and radio).

There were also examples of information and understanding being received by word-of-mouth from friends and family who had experience of the benefit system.

There were varied views on whether people should be personally responsible for learning about reporting changes in circumstances. Some people thought the onus should be on claimants to seek this out and become familiar with it. Others felt that the benefits authorities should be more proactive in providing specific and detailed explanations of which kinds of changes in circumstances need to be reported, through both verbal and written means.

The variation in scope and accuracy of knowledge and awareness of sources of information, suggest that not everyone was able, or inclined, to access and make use of this information in its current format.

## **Reporting changes in circumstances: influences on behaviour (Chapter 4)**

A range of factors was identified that influenced the reporting behaviour of people in the study group. These could be grouped into three broad categories, each of which contains further sub-categories:

- knowledge and understanding about reporting changes in circumstances:
  - knowing that change in a ‘circumstance’ is reportable;
  - conceptualisation of ‘change’;
  - perceptions of the effect on benefits;
- understanding and experiences of the benefit system:
  - understanding of the benefit rules;
  - perceptions of structural linkages;
  - system ‘triggers’ (such as medical reviews);
  - previous experiences of benefit administration;
- contextual factors:
  - personal circumstances surrounding the change;
  - anticipated responses of others.

Insufficient depth of understanding of the way ‘change’ is defined for benefit purposes could mean that people did not respond to changes in their circumstances immediately or recognise their circumstances as having ‘changed’ at all.

Knowledge or perceptions of benefit rules and the way that changes in circumstances could affect one’s benefit entitlement, could also lead people to delay or decide not to report changes. This behaviour could be driven by people’s anxieties that reporting a change could lead to a reduction or termination of a benefit or cause them unwanted ‘hassle’.

## **Experiences and consequences of reporting changes in circumstances (Chapter 5)**

Many episodes of reporting changes in circumstances were straightforward experiences for the people in the study group. The principal problems for people in reporting changes stemmed from not knowing what information to provide about a change and not understanding the requirement to report changes as soon as they had happened. People in the study group also reported delays in processing changes that led to hardship and mistakes made by benefit staff which could lead to overpayments or, again, hardship.

There were also less tangible effects of reporting changes, such as worry, stress, anxiety and confusion that made the experience of receiving benefits an unwelcome negative experience.

Few people in the study had experienced overpayment action. Some people acknowledged that overpayments should be recovered and where the amount of money involved was small, making weekly repayments was usually manageable. For other people, reductions in benefit payments were said to have caused significant financial hardship. In contrast, a number of people were confused about how an overpayment had arisen or how the amount that would be recovered had been calculated. Some people's prior experiences of dealing with a system that they found complex and frustrating led them to accept these decisions without challenge, even when they did not understand or agree with the outcome.

The experience of benefit overpayments and (potential or actual) overpayment recovery had prompted some people to become more vigilant in their awareness of their benefit claim status and to act more quickly in reporting any future changes in their circumstances.

## Conclusions and policy implications (Chapter 6)

The principal reasons why people in the study group did not report changes in circumstances were grouped into three categories:

- knowledge deficits;
- avoidance behaviour;
- deliberate withholding.

**Knowledge deficits** cover the incomplete or inaccurate knowledge of the following – **what** changes should be reported, **when** changes should be reported, **to whom** changes should be reported, the eligibility rules of the benefits being received, and links between benefit authorities and other relevant organisations.

**Avoidance behaviour** occurred when claimants recognised a change in their circumstances but did not report it in order to avoid a perceived negative consequence (either **substantive** where people feared a possible reduction in their benefit and/or a disruption to benefit payments or **procedural** when they were seeking to avoid confusing or stressful contact with benefit authorities).

**Deliberate withholding** of information about changes in circumstances was a particular form of avoidance behaviour. However, there is a distinction between people who were anxious about what might happen if they reported a change and those who were more certain of the consequences.

Policy implications were divided between **administrative** and **structural** options.

Administrative options included increasing people's knowledge of reporting changes by: clearer information about what changes need to be reported (using Plain English and concrete examples), clearer information about benefit eligibility criteria and how benefits are calculated, information provided through a variety of channels and media (including written, radio and television), information provided

verbally by benefit staff (reinforcing the message about reporting changes in face-to-face meetings), information provided verbally by trusted third parties, more **personalised** information and information repeated at appropriately frequent intervals (to keep knowledge updated).

We suggest that in attempting to educate claimants further, a focus might usefully be placed on increasing knowledge about the types of change that need reporting and that personalised information is more likely to have resonance with people compared with general information or publicity.

Benefit authorities could also explore ways of **anticipating** changes by the transfer of relevant information between benefit authorities and other organisations.

**Structural** responses to reducing error include simplifying the benefits system by tackling complexity in the rules of benefits and/or by changing the reporting requirements placed on claimants.



# 1 Introduction

This report presents findings from a qualitative research project to explore benefit claimants' knowledge and understandings concerning changes in circumstances and obligations to report them. The study was commissioned by the Department for Work and Pensions (DWP) and carried out by the Social Policy Research Unit at the University of York in 2006/07.

Since 1997 successive governments have pursued a range of policies to reduce the amount of money lost to the social security budget through fraud and error. Official statistics show that policies to reduce fraud have reduced the percentage of benefit payments lost to fraud consistently over the last ten years. In contrast, losses due to error (including official and claimant error) have risen and in 2006 exceeded losses due to fraud for the first time.

The reduction of error has, therefore, become an important policy objective. This research was commissioned during the development by DWP of a strategy to combat error (subsequently published as *Getting welfare right: Tackling error in the benefits system* (DWP, 2007)) and an early phase of the project<sup>1</sup> contributed to its development. The research reported here is based on a longitudinal panel of claimants in which participants were interviewed up to three times over the course of about nine months. Data were collected on experiences of changes in circumstances that occurred prior to the initial interview and during the period of the research.

In this chapter we set out the policy context to the project (Section 1.1), the aims and objectives of the study (Section 1.2), the design and methods adopted (Section 1.3) and a description of the sampling approach and achieved sample (Section 1.4). The final section sets out the structure of the rest of the report and explains how we have used verbatim quotations within the chapters analysing the empirical data (Section 1.5).

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<sup>1</sup> Focus groups were held with a range of benefit recipients in 2006 and an internal working paper produced for DWP.

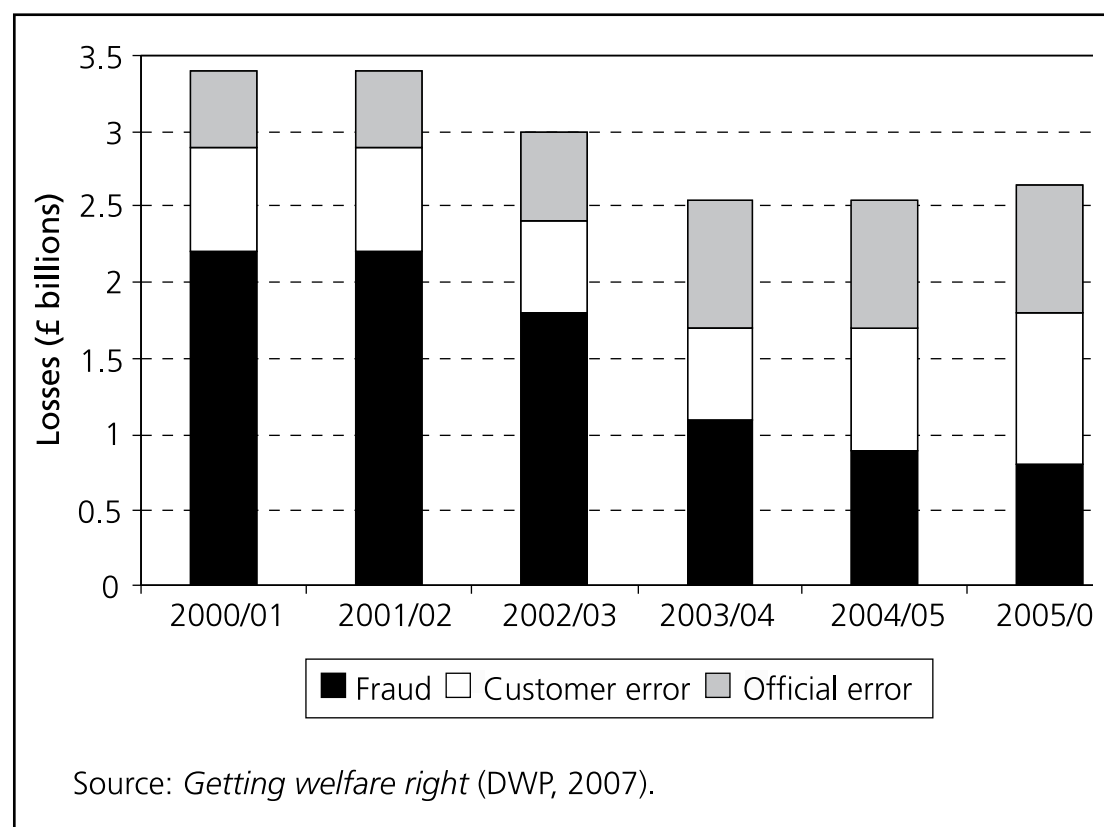


## 1.1 Policy context

The systematic measurement of fraud and error in the social security system began in 1997 covering Income Support and Jobseeker's Allowance, and has expanded since then to cover most benefits. Early results showed that losses to fraud far exceeded those to official and claimant error and in consequence strategies to deter, prevent and detect fraud became a priority of Government.

The effects of these strategies are evident in the annual official statistics on fraud and error which show that levels of fraud have consistently fallen and in 2005/06 were estimated at £0.8 billion (or 0.7 per cent of benefit expenditure). In contrast, losses due to error have risen to £1.9 billion (1.7 per cent of expenditure), thus exceeding losses to fraud. The DWP strategy document *Getting Welfare Right* (DWP, 2007) illustrates the changes between 2000/01 and 2005/06 in Figure 1.1.

**Figure 1.1 Total overpaid benefit expenditure between 2000/01 and 2005/06, (£ billion)**



The evidence that levels of error were not reducing has, as mentioned in the introduction, led DWP to develop a strategy for reducing error which was published in January 2007. As the basis for its recommendations, the strategy makes the distinction between people who try to comply with reporting requirements but make honest mistakes, those who do not take 'reasonable care' and those who 'deliberately do not comply' (pp.28-29). The strategy's main conclusions and policy

decisions for reducing claimant error, therefore, are grouped under the headings of **prevention, compliance** and **correction**.

Ideas for preventing error and for increasing compliance are closely linked and are based around the wider DWP objectives of simplifying benefits and increasing people's understanding of benefit rules (for example, by fewer but clearer leaflets, improvements to the Departmental website and improved telephony services). The strategy announced a 'new awareness campaign' designed not only to increase knowledge of reporting requirements but also to persuade claimants that their own interests are served by keeping their claims accurate and up-to-date (p.28). The strategy also commits DWP to '*look creatively at how to make it easier... to report changes in circumstances*'. The document also emphasises the balance between the rights and responsibilities of claimants:

*'The Department is committed to ensuring that customers' benefit payments are correct, and we expect our customers to take the same care when they provide us with information at the outset or during the lifetime of their claim.'*

(p.28)

The strategy's main recommendation on correcting incorrect benefit payments is to pilot a proactive approach to capturing information about changes in circumstances. The idea is to send a 'pre-populated letter' to all claimants six months after the start of their claim to ask if any of the information given at the time of claim has changed. Changes in circumstances can then be identified and, where appropriate, benefit payments amended.

Policy interest in error has not only been generated within DWP. Successive inquiries by the National Audit Office (NAO) (2005), the Public Accounts Committee (2006), and the House of Commons Select Committee on Work and Pensions (2007) into the complexity of the benefit system have highlighted the link between complexity and error. The NAO's conclusion about error, for example, was that '*much of [it] is generated by the complexity of the system*' (NAO, Executive Summary, 2005).

Reporting changes in circumstances also came within the scope of a review conducted by Sir David Varney (2006) into the transformation of public services. One conclusion was that people who had dealings with a number of public bodies were often left with the task of joining up what he referred to as 'islands of service' which contrasted with 'the leading edge of the new service economy' characterised by being '*much slicker, more immediate, more convenient to the citizen and less intrusive on the busy citizen's time*' (p.1). He recommended a 'changes in circumstances service' that would allow citizens to report changes only once, rather than the many times they might have to at present. As a step towards a more comprehensive service at some time in the future, he suggested that a pilot service should initially be established covering births, deaths and changes of address.

As this brief review has shown, reporting changes in circumstances and the persistence of the problem of error in benefit payments have generated the need for further understanding about the behaviour and experiences of benefit claimants who have changes in their lives, notwithstanding the development and publication of the strategy document *Getting welfare right* referred to previously.

## 1.2 The aims and objectives of the study

The overall aim of the project was to increase understanding of claimants' reporting of changes in their lives and so inform policy development that would lead to more, and more timely and accurate, reporting of relevant changes in circumstances.

The objectives of the overall study were focused on the key areas of:

- how claimants experience changes in circumstances;
- their knowledge and perceptions about reporting changes in circumstances;
- their sources of knowledge;
- their experiences of reporting changes;
- experiences and responses to overpayment recovery due to error.

To meet these objectives and address the emerging concerns of DWP, the following, more detailed, research questions were addressed:

- What issues are important in people's lives when circumstances change?
- What are people's knowledge and perceptions about reporting changes in circumstances?
- How salient is reporting changes at these times?
- What do people know about their responsibilities to report changes?
- What are people's attitudes towards reporting changes?
- What motivates people to report changes?
- What time and effort are required to report changes?
- What difficulties, if any, are experienced in reporting changes?
- What do people know about the effects of reporting, or not reporting, different changes?
- Are there barriers to reporting?
- What are people's understanding and experiences of overpayments?
- How do people gain their knowledge and understanding about reporting?
- What are their sources of knowledge?
- What would help or encourage people to report changes in circumstances?

The claimant groups of most policy interest, because they generate the majority of claimant errors, were identified as recipients of Income Support, income-based Jobseeker's Allowance, Housing Benefit and Pension Credit. The next section describes the design and methods chosen to address the research questions for these groups.

### 1.3 Research design and methods

Qualitative research techniques are most suited to the in-depth exploration of understanding, behaviour and experiences. Because individual experiences were expected to show considerable variation and because some of the content of interviews were expected to be potentially sensitive, we chose to use individual interviews for the collection of data (rather than, for example, group interviews). We were aware from previous research that recall about changes in people's lives can vary considerably between interviewees (for example Sainsbury *et al.*, 1996) and over time. We, therefore, adopted a longitudinal panel design in order to maximise the quantity and quality of data, seeking to capture experiences of change close to when these had occurred.

The longitudinal design is set out in Table 1.1.

**Table 1.1 Longitudinal design of study**

	<b>Timing</b>	<b>Method of data collection</b>
Interview 1	November – January 2007	Face-to-face interview
Interview 2	March – April 2007	Telephone interview <sup>1</sup>
Interview 3	July – August 2007	Telephone interview

A small number of people were interviewed face-to-face in the second and third waves of interviews, due to communication needs.

The aim was to interview a sample of 50 people in three locations with different labour markets. In consultation with DWP the following local authority areas were selected:

- Durham – an urban local authority;
- High Peak, Derbyshire – a rural local authority;
- Wandsworth – an inner city London Borough.

The first interview was used to collect data on the following:

- current circumstances;
- knowledge about the benefit system and responsibility for reporting changes in circumstances;
- sources of knowledge;
- recent experiences of being a benefit recipient and changes in circumstances

- views and attitudes towards benefit authorities (including Jobcentre Plus, Pensions Service, local authorities);
- experiences of, and views about, overpayments;
- expectations of changes in circumstances.

Based on previous experience, we defined 'recent' changes in circumstances as within the previous six months, although, in practice, some people interviewed described experiences from further back than this. In the subsequent interviews we explored the following:

- changes in circumstances since the previous interview(s);
- recent experiences of dealing with benefit authorities;
- changes in knowledge and sources of information;
- changes in attitudes;
- recent experiences of overpayments.

Topic guides were developed for each of the three interviews in consultation with DWP. Interviews were recorded with permission and transcribed professionally for analysis. Transcripts were analysed using the *Framework* technique of thematic analysis (Ritchie and Spencer, 1994).

## 1.4 Sampling and Recruitment

DWP drew four sub-samples of claimants of Income Support, Jobseeker's Allowance, Housing Benefit and Pension Credit respectively for each of the three selected fieldwork locations. We then adopted a purposive sampling approach which aimed to achieve roughly equal coverage of the following sampling criteria agreed with DWP:

- location;
- sex;
- type of benefit;
- age.

Table 1.2 compares the achieved sample with the purposive targets agreed. The aim was to achieve 50 interviews but in practice 51 initial interviews were carried out.

**Table 1.2 Target and achieved samples**

	Target range	Achieved
<b>Authority</b>		
Durham	15-20	19
High Peak	15-20	19
Wandsworth	15-20	13
<b>Sex</b>		
Male	22-28	30
Female	22-28	21
<b>Benefit</b>		
Housing benefit	10-15	14
Jobseeker's Allowance	10-15	15
Income support	10-15	13
Pension Credit	10-15	9
<b>Age</b>		
< 30	10-15	10
30 – 49	10-15	15
50 – State Pension age	10-15	12
State Pension age and over	10-15	14

Although people were sampled from different benefit databases held by DWP, their actual experience of benefits was much wider. Thirty-five out of 51 people had been in receipt of more than one benefit during the period of the research and several respondents lived in households where other people received additional benefits. During the course of the study some people had been in receipt of up to five different benefits.

**Table 1.3 Actual receipt of benefits of achieved sample**

	At first interview	By final interview
Housing benefit	28	28
Jobseeker's Allowance	16	18
Income Support	15	16
Pension Credit	14	16
Incapacity Benefit	6	6
Council Tax Benefit	32	32
Disability living allowance	9	9
Child Benefit	8	9
Child Tax Credit	8	9
Other	7	8

This wide experience of benefits within the sample allowed us to explore experiences of reporting changes in circumstances to different benefit authorities, in particular Jobcentre Plus and local authority Housing Benefit/Council Tax Benefit departments.

## 1.5 Structure of the report

The report has been structured around the main policy concerns of DWP. Chapter 2 examines people's understanding of the requirement to report changes in circumstances and explores the extent of their knowledge about reportable changes.

Chapter 3 analyses how people acquire their knowledge about benefits in general and reporting changes in circumstances in particular. Their views and preferences about sources of information are also examined.

Chapter 4 considers the factors that can influence the behaviour of benefit claimants in reporting changes in circumstances, including the motivations that lead people to report (or fail to report) changes and influences from both within and outside the benefit system.

Chapter 5 explores claimants' experiences of reporting changes in circumstances and the consequences of reporting those changes. The first part considers processes through which people reported, or attempted to report, changes in their circumstances and draws out lessons about the barriers and difficulties that people encountered. The second part explores the outcomes that people experienced once they had reported changes to their circumstances.

Chapter 6 presents the conclusions of the study and sets out some of the policy options that emerge from the findings of the empirical analysis itself, and from considering these findings alongside the DWP strategy document and other recent reports, such as the NAO and Work and Pensions Select Committee reports.

## A note on the use of verbatim quotations

Chapters 2-5 contain examples of people's words, as spoken in the interviews and transcribed by the professional transcription agency employed on the study. Using people's own words is intended to provide illustrations or examples of some of the issues raised and so, hopefully, enhance the understanding of readers. The verbatim quotations are attributed by sex, age range and principal benefit by which they were included in the sample (for example, man, 30s, Housing Benefit). We also occasionally use italicised single words or short phrases within the text taken from transcripts. We do this when a person's own phrase is more direct or explanatory than would be our own construction of what they said. These single words or short phrases are not attributed to particular people.

## 2 Claimants' knowledge and understanding of reporting changes in circumstances

This chapter considers people's understanding of the requirement to report changes in circumstances and explores the extent of their knowledge about reportable changes. These issues were addressed in the research interviews through a series of questions that explored:

- people's first-hand experiences of changes in circumstances (where applicable);
- people's expected or intended behaviours if their circumstances changed in future; and
- what people had learned from official or other sources about the requirements to report changes.<sup>2</sup>

In the final interviews, we also asked people what they understood by the phrase 'change in circumstances' and whether this had changed over the time they had been involved in the research (topic guides for each of the three waves of interviews are included in Appendix A).

It is important here to be aware of the qualitative methods that were used in this research. In this study, we did not seek to quantify the extent of people's knowledge of reportable changes through a survey or checklist approach. There is a wide range of changes in circumstances that might affect an individual's or a household's benefit entitlement and the research was designed to uncover what kinds of things people understood to fall within the scope of reportable changes

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<sup>2</sup> Chapter 3 considers people's sources of knowledge and their views on these in more detail.



and which types of change were most salient in their minds. In the presentation of findings below, we have not attempted to comment on the accuracy of people's knowledge but we discuss the themes that emerged as people described and reflected on their understanding of what is meant by a change in circumstances.

The analysis considers the perspectives of the study group as a whole, rather than disaggregating by benefit type. As noted in Chapter 1, several people in the study group had experience of receiving a number of benefits simultaneously or had moved from one type of benefit to another (in the past or during the period of the research interviews). Although there was some indication that people's awareness of reportable changes focused on things that were more pertinent to them (for example, all the people who mentioned hospital stays were of pension age or receiving an incapacity benefit), in many cases people referred to a range of changes, not limited to those that were more likely to occur in their own lives.

Section 2.1 briefly considers people's overall awareness of the requirement to report changes in circumstances, before Section 2.2 looks in more detail at the types of changes that people thought it was necessary to report to benefits authorities. Section 2.3 concludes the chapter with a discussion of themes emerging, in particular the different levels of understanding that people have about reporting changes in circumstances and the way that the benefit rules are closely linked with requirements to report change.

## 2.1 Awareness of the requirement to report changes in circumstances

Almost everyone in the study group was aware that they needed to inform the benefits authorities if their circumstances changed. Only one person said he did not know anything about the need to report changes in circumstances. This was a young person experiencing depression and claiming Income Support, whose parents had evidently played a large role in making his application for benefit. A second person, also experiencing a mental health condition, said he was unaware of what kinds of change in circumstances might need to be reported but that he would ask his social worker if he had any questions about this. It could be said that these two individuals' lack of knowledge about changes in circumstances was exceptional; relative to other people in the study group, these two individuals had particularly limited engagement with their benefit claims.

The longitudinal design of the research highlighted how people's depth and detail of knowledge can change over time. In later interviews, some people had become more aware of the changes that could affect their benefits because of events that occurred during the course of the study, for example, a situation of possible overpayments coming to light, discussing a return to part-time work with an employment support agency or a recent medical assessment, which had involved re-reading documentation relating to an incapacity benefit. In another example, one person had recently made a new claim for Jobseeker's Allowance at the time

of the final interview (having previously been on an incapacity benefit) and was able to describe the rules and requirements around paid work in substantial and accurate detail, these being fresh in his mind. Again in the final interview, another person was able to give a much fuller account of the types of changes that need to be reported when claiming Jobseeker's Allowance than in the first meeting, with the explanation that he had recently read through the Jobseeker's Allowance booklet.

## 2.2 What kinds of change are reportable?

This section considers people's understanding of what types of changes in circumstances must be reported to benefits authorities.

At a general level, some people commented that reportable changes encompassed a wide range of eventualities, explaining that you have to tell the benefits authorities *'more or less anything'*. In contrast, a number of people were of the opinion that additional income from paid work or other sources (resulting in a decrease in benefits) was the only change in circumstances that the benefits authorities were genuinely interested in. However, some people took a broader view, noting that reporting changes could also result in additional or increased benefits, for example, if you had a child, became ill or disabled or moved into your own house and claimed Housing Benefit.

Some people said they found the phrase *'change in circumstances'* confusing or ambiguous and others said that, while they themselves understood what was meant by the phrase, they nevertheless thought it could be unclear to *'other people'*. One person suggested that the word *'situation'* might be more clear than *'circumstances'*, though others tried and struggled to come up with a more transparent phrase.

In describing the ambiguity they saw in the phrase *'changes in circumstances'*, some people offered rather humorous examples, for example *'you're gonna tell them, hang about, "I've got a cat"... "the pipe's burst in the kitchen"'* or *"'does that mean you've got a bunion?"'* However, in giving these tongue-in-cheek remarks, people were illustrating their genuine uncertainty about where the line was drawn between things that were and were not necessary to report. Some people who received incapacity benefits recounted how they had reported what they felt to be a relevant change in their health, only to be told that this made no difference to their benefit. This led to further uncertainty about when they should report changes and also some frustration with a system that constantly reminded you to report changes but then told you the changes you reported did not matter. (Chapter 5 explores in more detail people's experiences of reporting changes in circumstances.)

Nevertheless, most people in the study group were able to give examples of the kinds of changes in circumstances that they thought would need to be reported to the benefits authorities. The types of change that people understood to be

reportable can be grouped into five categories: paid work; other changes to household income or capital; home and household changes; health changes; and other types of change (including holidays, voluntary work, education and training). Each of these is discussed in turn.

### 2.2.1 Paid work

Income from paid work was the most frequently mentioned change in circumstances, with almost everyone in the study group commenting that this was something that must be reported to benefits authorities. Beyond a general understanding that starting work or earning any money was a reportable change, some people demonstrated an awareness of the more detailed benefit rules, for example, earnings disregards, permitted work for people receiving incapacity benefits or the taper on Housing Benefit as income increased.

Some people stated that they were not aware of the specifics of these rules but others went on to detail their understanding of the figures involved in these benefit and income interactions. Several people mentioned a threshold of 16 hours per week as being the point at which eligibility for Jobseeker's Allowance or Income Support would cease outright. Below this level, however, there were varied perceptions of how part-time work might affect entitlement to benefits. Figures for the earnings disregard were variously quoted as £5, £15, £20 or £150 per week (perhaps partly illustrative of the different levels set for different benefits), while some people thought that part-time work would not affect their benefits at all. There were also varied understandings of this 16 hour threshold, for example, whether it referred to work of **below** 16 hours per week or up to **and including** 16 hours per week. At the same time, some people perceived the benefit rules as simply dictating that *'you're not allowed to work'*.

One person who received Pension Credit was certain that any income from paid work did **not** need to be reported and was apparently unaware of the means-tested nature of this benefit. However, there were also people who were clear that there was an earnings disregard and taper on Pension Credit and that any income from work needed to be reported to the benefits authorities.

Looking beyond the individual's circumstances to that of the household, some people commented that a partner's income would also need to be reported, as this would be taken into account when calculating the household's entitlement to benefits. However, there were instances of possible misunderstanding about how the income of non-dependent children might affect entitlement to benefits. For example, one person whose 19-year-old son was claiming Jobseeker's Allowance at the time of interview thought that if his son moved into paid work, this would not affect the family's Housing Benefit at all. Another couple explained how the benefit rules were confusing for their household, because one of them was retired and received Pension Credit while the other was of working age and received incapacity benefits but the rules about permitted work and earnings disregards were different for each.

### 2.2.2 Other changes to household income or capital

A number of people were aware that income or capital from sources other than paid work would need to be reported to benefits authorities. Pensioners in particular, commented that the amount you had in savings was relevant in assessing entitlement to benefits. The amount that an individual was 'allowed' to have in savings before benefits would be affected was variously quoted as £2,000, £5,000, £6,000, £8,000 and £16,000. Again, this may, in part, be a reflection of the different capital limits for different benefits but there was also evidence of varying understandings of the thresholds for the same benefit. Moreover, some married people described confusion about whether capital limits applied to the individual or the household.

In light of this awareness of capital limits, people noted that inheritances, lottery winnings and other 'windfalls' would need to be reported to benefits authorities. However, some people felt that small lottery wins, for example £5, would not need to be reported, while one person believed that no amount of winnings could affect entitlement to Pension Credit. Some people noted that property as well as monetary inheritance would need to be reported or that selling your house would be a reportable change. A participant who received Income Support mentioned that any payments that were received to cover expenses of voluntary work or studies would need to be reported to benefits authorities.

Some people noted that annual increases in their private or occupational pension needed to be reported to benefits authorities. There were mixed views about whether annual increases in state pensions or benefits needed to be reported to other benefits authorities, for example, whether the local authority (Housing Benefit) needed to be informed of an increase in Incapacity Benefit. Among people receiving Pension Credit, there were no direct references to the 'assessed income period' within which changes to pensions, annuities and equity release payments do not need to be reported. However, one person noted that the benefits authority knew her personal pension was 'automatically' increased by a certain percentage each year, so she did not need to report this. This experience would appear to refer to the estimations made by the Department for Work and Pensions during an assessed income period, although the participant was not entirely clear on how this process worked. As will be discussed further in Chapter 4, there were different perceptions about how changes in one benefit were communicated to other branches of benefits authorities, which could potentially influence reporting behaviour.

### 2.2.3 Home and household changes

Three types of change have been included in this category: changes of address, changes in rent and changes in household composition. The latter of these three was the most frequently mentioned, several people commenting that people moving into or leaving the household would need to be reported to benefits authorities. More specifically, people talked about getting married or moving in

with a partner, separating from a partner or becoming widowed, having a baby, children coming to live with you, older children leaving home and taking in a lodger.

Such changes to household composition were noted as being relevant to Housing Benefit, income replacement benefits, child benefits and tax credits. A number of people referred to a rule about how frequently someone could stay with you before Housing Benefit was affected, and this was variously perceived as between two and four nights per week. As noted above, some people were aware that a partner's income would be taken into account for benefit entitlement calculations if they came to live with you. Changes to children's residence, age or education status were also noted as reportable, in that these could affect entitlement to Child Benefit and Child Tax Credit, but there were varied understandings of how non-dependent children living at home might affect Housing Benefit and whether their employment circumstances needed to be reported. One person, whose daughter was about to go to university, was unsure about whether she would need to report a change in household circumstances during the university vacations:

*'...I'm worried about, when [my daughter] goes to University and in the holidays, how does that affect you, you know, if she comes home for a few weeks or something during the holidays, I'd like to find out how that affects you.'*

(Female, 40s, Housing Benefit)

Relatively few people spontaneously mentioned moving house as something that would need to be reported to benefit authorities. As noted at the beginning of this chapter, this is not necessarily to say that people did not perceive it as a reportable change in circumstances, but that it was perhaps less salient to people at the time of interview. Even fewer people mentioned rent increases as being a reportable change. This may be a reflection of the finding discussed later in Chapter 4, that for people living in social rented housing, adjustments in rent and Housing Benefit were experienced as a largely 'automatic' process, in which they had little involvement.

#### **2.2.4 Health changes**

People who noted changes in health as something that would need to be reported to benefits authorities tended to focus on declines in health, rather than improvements. For example, some people explained how, if you became unwell while claiming Jobseeker's Allowance, you would need to report that you were unable to seek work and might change to an incapacity benefit if the illness was long term. It was also noted that if you became terminally ill or permanently disabled, there were other benefits or allowances to which you might become entitled. However, some people thought that benefits authorities were less interested in minor or short-term changes in health.

There were differing perceptions of whether stays in hospital needed to be reported. Most people who mentioned this as a type of reportable change thought there was a set time period beyond which pensions or other benefits were paid to the hospital as a form of 'board', rather than to the individual. Some people noted that this period had been extended in recent years. Understandings of the current rules varied, with the period of time above which hospital stays needed to be reported being variously cited as a week, a fortnight, a month, six weeks, eight weeks and three months.

### 2.2.5 Other types of change

A small number of people mentioned voluntary work, education or training courses as something that would need to be reported to benefits authorities. As with paid work, some people were aware that there were limits to the number of hours that could be undertaken without affecting entitlement to benefits but there was also a view that voluntary work or unpaid education or training would not have any effect on benefits, because no income was being received.

There were mixed opinions about whether holidays would need to be reported to benefits authorities. In part these reflected the differing rules for different benefits but there were also variations according to people's understandings of **why** this type of change might need to be reported. For example, some people with experience of claiming Jobseeker's Allowance believed that holidays only needed to be reported if they overlapped with a day when you were supposed to 'sign on', meaning you would miss an appointment. Other people understood that if you were leaving the country, you would have to sign off Jobseeker's Allowance and reclaim on your return.

Among people receiving Pension Credit or an incapacity benefit, there was an understanding that there was no need to report holidays within the UK but benefits authorities needed to be informed of holidays abroad and that holidays of over one month could affect benefit entitlement. However, some people commented that they did not think holidays could, or should, affect their entitlement to benefits:

*'Why should we tell 'em when we go on holiday? You've got to live whether you're here or whether you're there. But whatever money we get, pensions or everything else...how we spend it, it's our money, it's for us to decide.'*

(Female, 60s, Housing Benefit)

*'That's nothing to do with anybody is it really, you're entitled to your holidays aren't you?'*

(Female, 60s, Pension Credit)

Other things that were mentioned as reportable changes in circumstances included: taking on (or stopping) caring duties for another adult; going into prison; and becoming homeless.

## 2.3 Discussion

The way people described what they knew about reporting changes in circumstances suggests that there are four levels of understanding:

- 1 At the broadest level, there is the understanding that there is a **requirement** to report changes in your circumstances.
- 2 At the next level, there is a general awareness of the areas of life, in other words the **circumstances**, in which a change may need to be reported, for example, changes in employment, household composition or health.
- 3 Next, there is an awareness of the specific **changes** that must be reported, for example, if you stay in hospital for a certain length of time or if you increase your weekly hours of work from 15 to 20.
- 4 Finally, there is an awareness of the **effect** that these changes may have on your entitlement to and level of benefits, for example, that your benefit will be reduced if you have an income from part-time work but will stop entirely if you work 16 or more hours per week.

Also evident in people's responses to questions about changes in circumstances was the close association between 'benefit rules' and 'reportable changes'. In describing what they understood about reportable changes, people often volunteered knowledge of the rules that dictate whether someone is eligible for a benefit or not as well as the changes in circumstances that could affect entitlement to a benefit once it has been awarded. Moreover, there was some evidence to suggest that people's perceptions of what was fair or reasonable when it came to reporting changes in their lives (for example, taking holidays) played a part in shaping their knowledge. The way that (mis)understanding of the benefit eligibility rules may influence reporting behaviour is discussed in Chapter 4.

The research found that most people were aware of the requirement to report changes in circumstances to the benefit authorities and the majority had an awareness of at least some key areas of life where a change in circumstances might affect their benefits. However, a minority of people had a somewhat distant relationship to their benefit claim, with limited awareness of the requirement to report changes in circumstances or what these changes might include.

Income from paid work or other sources and changes in household composition seemed to be most salient to people in the study group. As we have mentioned, some changes seem 'obvious' to people because they have a basic understanding of what affects their benefits. However, specific knowledge of the types of change that were reportable and importantly, why and how these changes could affect benefits, was often less apparent. Some people evidently had partial or inaccurate understanding of the rules that applied to their benefits which could potentially affect their behaviour around reporting changes.

The next chapter considers the sources that informed people's knowledge about the requirements to report changes in their circumstances.

### 3 Claimants' sources of knowledge and views on their adequacy

This chapter considers how benefit claimants gained their knowledge about reporting changes in circumstances. As explained in Chapter 2, this knowledge encompassed the general requirement to report changes in circumstances, the detail of what types of change need to be reported and how this might affect benefits. In the first of the three research interviews, we asked people how they knew that they needed to report changes in circumstances to the benefits authorities and whether they had received any information about what to do if their circumstances changed in the time since they made their benefit claim. In the final interview, we asked people if they had received any more information about what to do if their circumstances changed during the time since the initial interview. Responses to these questions are outlined in Section 3.1. People were also asked how useful they found official sources of information and whether they had suggestions for improvements. These data are reported in Section 3.2. Section 3.3 ends the chapter with a brief discussion of findings and policy implications emerging.

#### 3.1 Claimants' sources of knowledge

Very few people said that they had never seen or been given any information about what to do if their circumstances changed. As noted in the previous chapter, this minority were people who apparently had a very low level of engagement with their claim. Most people in the study group referred to at least one source of official information about reporting changes in circumstances and many also noted informal sources of knowledge. These are described below.



### 3.1.1 Official sources of information

Three types of official information source were noted by people in the study group: written, verbal and other media, namely television and websites.

#### *Written information*

The most frequently mentioned sources of information on the requirement to report changes in circumstances were official correspondence and literature about benefits. These came variously from the Department for Work and Pensions or Jobcentre Plus (about Jobseeker's Allowance, Income Support and incapacity benefits), the local authority (about Housing Benefit and Council Tax Benefit) and HM Revenue & Customs (about Child Benefit and Tax Credits).

Several people said that the general message, that you must inform the benefits authority if your circumstances change, was printed on every letter, statement or claim renewal form that they received from the benefits or tax offices:

*'It says on everything they give you, you know, if anything changes, you've got to tell us straight away.'*

(Male, 30s, Jobseeker's Allowance)

Some people had received leaflets or booklets which gave further details and examples of the kinds of changes that must be reported. These included the Jobseeker's Allowance booklet which claimants bring with them to fortnightly Jobsearch Reviews, and booklets that were sent out with statements or renewal forms for Pension Credit and incapacity benefits.

Additionally, a few people had picked up leaflets in Jobcentre Plus, doctors' surgeries, housing offices or welfare advice agencies, which had included some information about changes in circumstances.

#### *Verbal information*

Another source of information was that given verbally by staff from Jobcentre Plus, The Pension Service and local authority benefit departments. Some people described having been talked through the kinds of change that could affect their benefit when they first made their claim. Fortnightly Jobsearch Reviews were also mentioned by some people claiming Jobseeker's Allowance, as a time when they were reminded by staff of the need to report changes in their circumstances, in particular any earnings from work.

Work Focused Interviews or meetings with Disability Employment Advisers had been a source of verbal information for some people claiming incapacity benefits. Home visits from the local authority or The Pension Service were another way that some people had received information about reporting changes in circumstances. Some people said they had come to realise what kinds of changes were relevant to their benefits through the kinds of questions that were asked in claim forms and benefit review meetings, for example, questions about who else lives in your household or how much money you have in savings.

A few people described how they had proactively approached benefits authorities for further explanation of the written information on changes in circumstances, while some others felt their knowledge of what to do if circumstances changed had been gathered from benefits advisers as and when particular changes arose, for example, taking a foreign holiday while claiming Jobseeker's Allowance or in dealing with a partner's affairs having become widowed. One person described how he had sought further details of what to do in advance of a potential change in his circumstances, when he was offered a temporary period of work:

*'There's some information in the Job Seeker's signing on record but rather than just trust what I'd read to glean what I had to do, I took the opportunity to ring and ask.'*

(Male, 50s, Jobseeker's Allowance)

### *Other media*

A number of people mentioned the recent television advertising campaign about benefit fraud as a way they had received information about the types of changes that needed to be reported to benefits authorities. In particular, people talked about scenarios of undeclared work or having a partner move in with you. A small number of people had also gained information about the changes in circumstances that could affect benefits from the DWP or Jobcentre Plus web sites.

### **3.1.2 Informal and other sources of knowledge**

As well as information from official sources, several people said that they had gained knowledge about reporting changes in circumstances from family members, friends or other acquaintances. Sometimes this knowledge was gathered when a friend or relative experienced a change in circumstances and the person had been party to this event. In other cases, other people had shared their prior experiences when this change became relevant to the person's own life, for example, a stay in hospital or having a relative come to live with you:

*'Sometimes it's your friend tells you, who's been through it themselves. They say "Oh well, you can go about it this way or you can go about it that way". They'll have done it themselves mostly.'*

(Male, 40s, Income Support)

A further source of information was advice and support services. These included the Citizen's Advice Bureau, Shaw Trust, other local welfare rights organisations and social workers. Sometimes people were in contact with such services on an ongoing basis, for example, an 'aftercare' worker for a young person who had been in foster care. In other cases, people had approached organisations for help with a specific problem that had arisen with their benefit, for example, appealing the outcome of a medical or an investigation into suspected overpayments.

Some people who had had long-term involvement with benefits (for example, due to long-standing health conditions) felt that they had picked up their knowledge over the years of dealing with the benefits system:

*'It's just with living in the system for so long you, I suppose, I learn about benefit as you would learn about what your salary is going to be...or what your pension is going to be.'*

(Male, 50s, Housing Benefit)

*'I think you just pick things up as you go along, as different things go wrong and you have to sort them out.'*

(Female, 40s, Housing Benefit)

In some cases, people found it difficult to specify their exact sources of knowledge, saying that *'you just know'* that changes must be reported. Another view was that it was *'obvious'* or *'common knowledge'* or *'common sense'* that certain changes had to be reported to benefits authorities, examples including moving house or getting an income from work.

In this report, we are not attempting to assess systematically the accuracy of people's knowledge of what changes in circumstances must be reported. However, it was evident that, for some people, this feeling of *'just knowing'* or seeing reportable changes as *'common sense'* was accompanied by a lack of specific knowledge about what changes need to be reported or clear understanding of how changes in circumstances could affect benefits.

## 3.2 Claimants' views on official sources of information

In the first and final interviews, we asked people how useful they found the official sources of information on what to do if their circumstances changed. To expand on these responses, we also asked whether there could be improvements made to the content and format of the information provided.

As noted in the previous chapter, the majority of people in the study group were aware of the general requirement to report changes in circumstances. However, there were mixed views about whether the amount and content of information available on what to do if your circumstances changed was sufficient and whether this information was presented in a suitable way.

### 3.2.1 Views on amount and content of information

Some people said that the information they had been given (or otherwise acquired) was sufficient for their needs and that they knew what they needed to know about reporting changes in circumstances. In some cases, people explained that, while they might not have all the details already, they understood enough about the general requirements to report changes and knew where to go for more information, should this be needed. A view from some people was that the

requirement to report changes in circumstances was widely publicised and that it was up to benefit claimants to familiarise themselves with information provided and to be proactive in seeking out further details as required:

*'When we get the letter in about our rise it tells you, please inform us immediately if any changes in your life, whether you get a job or you're on a different benefit or whatever, so they do tell you. You can't plead ignorant to it.'*

(Male, 40s, Income Support)

*Obviously they don't give you these books just for you to put on the sideboard and let them gather dust, you know, all the information's there and to me it's up to the individual to take the time out, sit down and read that information.*

(Male, 30s, Income Support)

However, a more widespread view was that, while the general statement of the requirement to report changes was frequently reinforced, the details of what this actually means were often lacking:

*'Usually it just says, "If your circumstances change, phone this number". There's never any, "If this happens or if that happens or..."'*

(Female, 40s, Housing Benefit)

*'It could mean anything couldn't it? Because they don't actually explain what your change of circumstances are.'*

(Male, 30s, Jobseeker's Allowance)

Several people said that it would be useful if more specific details of what was included within the scope of 'changes in circumstances' were provided in the official forms of correspondence. Suggestions included a list of examples given on letters or benefit statements, or a booklet sent out annually giving details of changes in circumstances that might be relevant to your own benefit(s):

*'I think it'd be nice if like, even if it was only once a year, they sent you out like a leaflet telling you, you know, all the different things ... I mean I'm sure it wouldn't cost much to do that and it'd be cheaper than people getting themselves into trouble because they've not done it right.'*

(Female, 40s, Housing Benefit)

*'I don't know what changes in circumstances is, you know, I mean it's a phrase that covers so much ground isn't it? They want to be more accurate with what they're talking about, and pinpoint things that you shouldn't do, but also tell you what you can do.'*

(Male, 70s, Pension Credit)

Some people acknowledged that the Jobseeker's Allowance booklet gave a list of changes that needed to be reported but there was a view that this was not sufficiently detailed. Another experience was that the onus was solely on the claimant to seek out detailed information about reportable changes. Reflecting views that were described in the previous chapter, some people noted that while information about reporting additional income was made clear, there was less specific reference to other kinds of change in circumstances, for example, stays away from home:

*'It wasn't actually that clear, I didn't think, as to what sort of changes you needed to report. They've sort of concentrated on the financial side, if you earned any money but I think there were other changes you have to report but I can't remember what they were now. I remember it wasn't that clear at the time.'*

(Female, 50s, Jobseeker's Allowance)

At the same time, some people recognised that it would not be feasible to specify every possible eventuality in writing and that too much information could be overwhelming. Some people found it useful that the general instruction to report any changes in circumstances was always accompanied with a phone number to ring, but it was also suggested that there could be a more explicit message in correspondences telling people to phone up for further details about how changes in circumstances might affect benefits.

There were people who found the written information on changes in circumstances difficult to understand and who said it would be useful if communications used simpler language. Some people, who had approached welfare advice agencies for help when problems or questions had arisen with their benefits, said that information about changes in circumstances was much easier to understand when explained by these organisations than when it was provided by DWP or Jobcentre Plus:

*'When I went to the Citizen's Advice, they explain everything to you in English instead of telling you this form and that form. They're actually really, really good at explaining things.'*

(Female, 40s, Housing Benefit)

One person described how a solicitor from a welfare advice agency had also been defeated in attempts to decipher the rules around their benefits from the DWP literature:

*'She said "I'm afraid I can't understand it", so, you know, so what chance have we got? ... The solicitor can't understand it, no chance for us is there.'*

(Male, 70s, Pension Credit)

Finally, some people felt that the verbal information currently given by Jobcentre Plus advisers about changes in circumstances was hurried and lacking in detail:

*'I think they should go through it a bit more when you first sign up, you know, as to what sort of changes you need to report, more verbally. It was sort of fairly rushed when I signed on originally, you know, and you just sort of filled out a form on the computer. ...He didn't really explain that clearly I didn't think. I think they could do with a bit more training as to explaining what changes need to be reported. Cos people get in trouble, you know, for not reporting changes and they don't know that they should have reported things.'*

(Female, 50s, Jobseeker's Allowance)

It was also suggested that benefit review meetings could include a wider range of prompts on changes in circumstances (beyond simply a focus on income from work), which would lessen the sole reliance on claimants to recognise relevant changes in their own circumstances.

### **3.2.2 Views on format of information**

Several people in the study group said that more opportunities to receive verbal information about changes in circumstances, directly from benefit staff, would be helpful. Reflecting earlier comments, some people noted how they themselves or 'other people' found it difficult to read through and retain large amounts of dense or complex written information. It was also noted that some people might choose not to engage with the written information they were given. Some people in the study group acknowledged that they did not read the letters or booklets they were sent in much detail, or left it to a partner to deal with all of the household's benefit correspondence.

There were suggestions that one-to-one interviews would be helpful, where a benefits adviser would talk through the details of a claim, including what changes might affect benefit(s) and what to do if these changes occurred. For people who had difficulties leaving the house (for example, due to limited mobility or mental health conditions), it was noted that a home visit would be beneficial for such meetings.

Some people acknowledged that providing detailed verbal explanations to all benefit claimants would perhaps be too time-consuming, but another view was that the standard phrase about changes in circumstances that appears on written correspondence became '*dulled in the repetition*' and so verbal reminders would be helpful. Some people also noted that they struggled with their short-term memory as they got older.

Despite the challenges of understanding official correspondence, however, many people thought that information in written format was useful, because it could be kept and referred to on future occasions and used as an *aide memoire*. As already mentioned, the Jobseeker's Allowance booklet was one such example. It was noted that a similar source of information had been lost for other groups of

benefit recipients, when the Income Support and pension books, which contained comparable lists of reportable changes, were withdrawn:

*'A little booklet would be handy, and you put it away and say somebody [said] "Whey, can I move in with, you know, just til I get a house?" or something, you would look in that booklet and say oh whey, righto then, I'll have to inform, you know, the Works and Pensions.'*

(Female, 50s, Income Support)

Illustrating the different preferences among claimants, some people said they found it easier to retain information when they could read it at their own pace, rather than when it was delivered verbally, especially over the phone:

*'If it's by letter then you can actually see it and read it. Over the phone you might not quite understand what they're on about 'cos it don't always sink in the first time, you know, what they say. But if you've got something in writing, you can always refer back to it.'*

(Male, 50s, Jobseeker's Allowance)

*'When you have a phone call you see you can't concentrate as much as in a letter, you see.'*

(Female, 50s, Income Support)

People who referred to the television advertising campaigns generally thought they were good sources of information, being *'to the point'* in their message and conveying information to people who would not or could not access written information. Reflecting their focus on combating benefit fraud, people also noted that the advertisements were *'scary'*, which they thought also contributed to their effectiveness. It was again commented, however, that more detailed examples of what might constitute fraud would be helpful, so that people did not do these things inadvertently.

There were also suggestions for wider and more effective publicity about reporting changes in circumstances, including radio broadcasts, e-mail communications and internet *'pop-ups'*, and posters in Jobcentre Plus, as well as further television advertising.

### 3.3 Discussion

The preceding sections raise two related points, which have implications for policies seeking to reduce claimant error in reporting changes in circumstances.

Firstly, the findings show that people can hold different attitudes about the extent to which benefit claimants should be personally responsible for equipping themselves with knowledge about reporting changes in circumstances. While some people gave the view that information is available and that the onus is rightly on the claimant to seek this out and become familiar with it, many others

felt that the benefits authorities should be more proactive in providing specific and detailed explanations of which kinds of changes in circumstances need to be reported, through both verbal and written means.

Secondly, there were evidently differences in the extent to which benefit claimants – for whatever reason – were willing or able to engage with the sources of information available. Going back to discussion in Chapter 2, the extent of certain people's knowledge of reportable changes demonstrates that official information does exist and it could be argued (as some people in the study group have done) that all claimants have the opportunity to become aware of their responsibilities and requirements around reporting change. However, the variation in scope and accuracy of knowledge and awareness of sources of information, suggest that not everyone is able (or inclined) to access and make use of this information in its current format.





## 4 Reporting changes in circumstances: influences on behaviour

This chapter considers the factors that potentially influence the behaviour of benefit claimants in reporting changes in circumstances. These include the motivations that lead people to report changes (or not) and the influences from both within and outside the benefit system, that might make the timely and accurate reporting of changes in circumstances more difficult to achieve. The analysis draws on data about claimants' actual experiences of reporting change, and also their expected behaviours if their circumstances were to change in future.

The factors that potentially influence reporting behaviour, which were identified from the accounts of claimants in the study group, can be grouped into three broad categories, each of which contains further sub-themes:

- knowledge and understanding about reporting changes in circumstances:
  - knowing that change in this 'circumstance' is reportable;
  - conceptualisation of 'change' in circumstances;
  - perceptions of the effect on benefits;
- understanding and experiences of the benefit system:
  - understanding of the benefit eligibility criteria;
  - perceptions of structural linkages;
  - system 'triggers';
  - previous experiences of benefit administration;
- contextual factors:
  - personal circumstances surrounding the change;
  - anticipated responses of others.

Each of these factors is discussed in turn in Sections 4.1 to 4.3. Examples from the data illustrate how some of these influencing factors can be a potential source of claimant error. It should be borne in mind that, within the study group, each factor may only have been apparent among a small number of people. The intention of this chapter is to highlight the range of possible influences on reporting behaviour, rather than to comment on their prevalence. The chapter concludes with a discussion of the findings.

## 4.1 Knowledge and understanding of the requirement to report changes

A first broad category of influence was people's knowledge and understanding about reportable changes. As noted in Chapter 2, this could vary in level of detail. The majority of people were aware, at the most general level, of the requirement to report changes in their circumstances but beyond this, there was variation in people's understanding of the types of 'circumstance' in which a change must be reported, the detail of what constitutes a 'change' and the effect that reporting this change might have on their benefits. There was evidence in the data that each of these levels of understanding could influence people's behaviour in reporting a change in circumstance. Examples are given in the following three sections.

### 4.1.1 Knowing that change in this 'circumstance' is reportable

Unsurprisingly, whether or not people were aware that the benefits authorities needed to know about change in a particular area of life or in other words a 'circumstance', could have an influence on whether or not they reported it. For example, reflecting the widespread awareness of the need to report changes in household income from work, everyone who had taken up regular paid work during the period of research had reported this. However, one person who claimed Income Support had not known that there would be consequences of not reporting this change immediately. She had worked for over a month before informing the benefits authorities of her job, having struggled to find time to report this change (which she believed could only be done in person). This delay had resulted in overpayment recovery.

Although relatively few people mentioned moving house as a reportable change, everyone who had moved house during the period of the research had reported this change. Most of these moves had been a long-term relocation and there was evidently no uncertainty about whether this change would need to be reported to benefits authorities (together with doctors and banks, for example).

Types of change that seemed less salient to people in the study group, for example holidays and hospital stays, showed more variation in reporting behaviour. One couple, who received Pension Credit and a number of incapacity benefits, had taken a round-the-world trip lasting several months. They had not reported this at the time, having been unaware that this was a requirement (although they had since learned that this should have been reported to benefits authorities and could affect their entitlement to benefits).

Three people who received Jobseeker's Allowance had taken overseas holidays during the period of the research and all had reported these to Jobcentre Plus, having expected or known from previous experience that this would have some implication for their benefits. In contrast, a number of people who claimed Income Support or Pension Credit talked about upcoming holidays of up to a fortnight, in the UK and overseas, which they did not intend to report to the benefits authorities. Some people said they did not think this was something that needed to be reported because they did not think that it would affect their benefits.

Some people who claimed Pension Credit or an incapacity benefit had spent time in hospital during the period of the research. Most stays were short (of less than one week) and in most cases, people said they had not reported them to the benefits authorities because, as they understood it, only longer stays in hospital needed to be reported. One person explained that she had discussed with a friend whether she should inform the benefits authorities about her upcoming hospital stay and had also rung up The Pension Service to check the rules. She had learned from this that stays of up to six weeks did not need to be reported. Another person had mentioned her one-week hospital stay on a benefit renewal form, as its timing happened to coincide with the renewal of her incapacity benefit claim. She did not think the benefits authorities **needed** to know about this and had found that her benefit was not affected by her stay in hospital.

As well as the potential for changes to go unreported, there was also evidence that a degree of uncertainty about the types of change that must be reported could lead to over-reporting in order to, as one person put it, keep oneself '*in the clear*'. For example, one couple noted how they always reported increases in their state pension, Pension Credit and Incapacity Benefit to the local authority, even though they knew from past experience that this did not affect the amounts of Housing Benefit and Council Tax Benefit they received. Looking to the future, another person explained that he would inform the local authority if his son moved out just so that he had '*covered himself*', although he didn't think it would affect his benefit. He also said he would inform Pension Credit, despite thinking that they '*technically don't need to know*'. Another person, whose daughter was going to start at university in another city in the autumn, said that she would inform Housing Benefit and Income Support '*just in case*', although she didn't think this would affect these benefits.

#### **4.1.2 Conceptualisation of 'change' in circumstances**

People's understanding of what constituted a 'change' in their circumstances was also evidently an influence on their behaviour. Illustrations of this came from people's explanation of (not) reporting changes in a range of circumstances, including household composition, income, health, education and voluntary work.

Some people had not (immediately) reported a relative coming to stay with them because they perceived these stays to be temporary, not constituting a permanent 'change'. One person was accommodating a relative, who was experiencing

family difficulties, for a few nights each week. At the time of the second research interview, this arrangement had been in place for a few weeks and had not been reported to the Housing Benefit office. The claimant was not sure that this would need to be reported, partly because he did not expect it to be a long stay and also because he was not receiving any rent from his relative (who, he also noted, was still paying council tax at their own property). However, on reflection in the research interview, the person said that perhaps it would be best to let the council know: *'I suppose I should tell them, I don't know if I should tell them or not, but I think it'd be better to and then everything's clear isn't it'*. By the final research interview, his relative had moved on, his stay only lasting a couple of months. But in the meantime they had visited the local authority office to enquire about the possibility of temporary housing and had informed them of the situation at this point. His Housing Benefit had not been affected. In a similar example, another person's relative had moved in after relationship difficulties and had said that they would be staying for a few weeks. As time went on, they began to stay somewhere else for a few nights per week and eventually (after about a year) were no longer staying there at all. This change was never reported because, throughout this time, the claimant had thought that her relative would be leaving 'soon'. Moreover, she was not receiving any rent money and so financially her circumstances were not perceived to have changed.

Again reflecting understandings of 'change' in household composition, one person, whose children currently stayed with him at weekends only, described the decisions he would make about reporting a change in circumstances if his children came to live with him on a more long-term basis:

*'Say I had my children for say three months I wouldn't inform them, but anything over three months I'd say "Right, I've got my kids here now living with me" and I would tell them about it and then that'd, obviously that'd change my benefits and, and things.'*

(Male, 30s, Income Support)

Other people described an awareness of certain 'rules' around Housing Benefit and explained how they had, in effect, modified or tailored their circumstances so as not to effect a change that would need to be reported. For example, one person who received Housing Benefit described two past experiences of having people come to stay with him temporarily. In both cases, he had set a time limit of one month and had only accepted contributions to the household 'in kind', rather than any rent money. The claimant felt that this would avoid any infringement of Housing Benefit rules and neither stay was reported to the local authority. Two younger members of the study group explained how they limited the number of times that their partners stayed overnight each week, so as to remain within what they perceived to be the Housing Benefit rules.

There were also examples of unreported changes in circumstances where people felt that the change or 'break' in their usual circumstances was only short term. For example, a younger claimant, who received Income Support and Housing Benefit,

had left a full-time college course during the period of the research, because she became unwell. She explained that she had not told the benefits authority about this break in her studies for a range of reasons, one of which was that she had intentions to take up a different course within a few months. As she understood it:

*'It still is classed as education, so my circumstances haven't changed...I knew there was no point in telling them cos I knew I was going back in to education...It doesn't matter what course you're doing or where you're doing it, as long as you're in education.'*

(Female, <20, Income Support)

In a similar way, another person, who also received Income Support and Housing Benefit, had left his voluntary job but did not report this change in his circumstances because he planned to find an alternative voluntary position before long. But on reflection in the research interview, he thought that perhaps he should have informed the benefits authority, because his record showed him to be doing a particular voluntary activity. By the time of the next research interview, the claimant had informed Housing Benefit that he had stopped this voluntary activity. He had 'forgotten' to inform Jobcentre Plus, but was not overly concerned about this: *'I wasn't too bothered, as I say, it wasn't a proper job. I just got sandwich money and the bus fare'*. His benefits had not been affected.

Some people in the study group described doing 'odd jobs' or occasional work, for which they were paid in cash. These people acknowledged that their motivations for not reporting this income were, in part, financial. However, they also explained that they did not perceive this occasional work as a 'proper' job and that if they moved into regular employment, they would report this change to the benefits authorities:

*'What I'd probably do if I got a job for three month or say six, no, say six months, I wouldn't inform them...but if I, say I did get a regular job then I would I would inform them.'*

(Male, 30s, Income Support)

As noted in Chapter 2, for some people who had fluctuating or multiple health conditions, there could be uncertainty about whether one's health had 'changed' for benefit purposes. Although there were no direct examples in the data, people's experiences of previously reporting a change which they felt would be relevant to their benefits and finding this was not the case, could potentially influence whether they decided to report a health change again in future.

It is also important to note the cases where people did not recognise their situation as having 'changed' at all. One example of this was a Pension Credit claimant who made a small income from a craft hobby. He had pursued this interest long before claiming Pension Credit and so he did not recognise it as a 'change' in his circumstances. Moreover, he had never perceived this leisure activity as 'work'

or a 'business' and was surprised when it emerged that this income should have been declared to the benefit authorities. Another person acknowledged that it had never occurred to him to report the small and infrequent increases in his occupational pension to benefits authorities.

#### 4.1.3 Perceptions of the effect on benefits

There was evidence that people's perceptions of how their benefits might be affected could prompt both reporting and non-reporting of changes in circumstances. Unsurprisingly, some people noted how they always reported any increases in their rent to the local authority, because until they did this, they would not gain any associated increase in their Housing Benefit: *'Well obviously you're going to tell them if you've got a rent increase aren't you because they're going to pay it'*. Looking to the future, some people said that they may inform benefits authorities if they experienced deterioration in their health, because they were aware they might then become entitled to additional benefits for care or mobility support.

Another motivation was to report changes quickly because people were aware of the possibility of benefit overpayments and wanted to avoid this. In some cases, this could be linked to the behaviour noted above, where people perhaps 'over-reported' changes, in order to further minimise the risk of overpayments being made.

In contrast, there were people who had not reported changes in their circumstances because of uncertainty about how their benefits might be affected, specifically, that they might be reduced. In some cases it seemed that people were 'choosing' to remain unsure of the benefit rules and of whether they should report a change, rather than addressing this knowledge gap and the implications of the change. For example, alongside other influences (namely uncertainty about length of stay) one person had not reported a relative coming to stay with her because she was worried about the effect this might have on her Council Tax Benefit. One person who was claiming Jobseeker's Allowance and Pension Credit had taken a short residential training course and had not informed the benefits authority because, as he perceived it: *'If I'd have told them they'd have probably told me it could affect your benefits... 'cos they think I'm going to earn money'*. There were also examples of people currently experiencing health problems, who were reluctant to report declines in their health circumstances, because they were anxious that broaching any questions about their benefit entitlement might result in losing their current benefits and ending up worse off.

There was also some evidence that knowledge of the benefit rules around tapers and earnings disregards and how benefits were thereby affected, could influence reporting behaviour. For one person, past experiences of how a small increase in income could affect entitlement to benefits underlay their decision to let small increases in state or personal pensions go unreported to Housing Benefit. Although the amount of this increase was seen as negligible (perhaps one or two pounds),

they were aware that if this took their income over the threshold for benefit entitlement, there could be a significant impact on overall finances:

*'It only just goes up once a year and if it does it's only by a few pounds. So to be honest I don't tell them...Cos if you're just a penny over what they say you're allowed to earn or have coming in, if it's just a penny over then they could stop a lot of your benefits.'*

(Female, 60s, Housing Benefit)

In another example, a Jobseeker's Allowance claimant described how he had taken up part-time work some years ago, after learning about the earnings disregard, and had always declared his hours because these fell almost within the taper threshold (he was able to keep all but a few pounds): *'I was up front with it...I might as well be up front with it because I was entitled to get it, you know, which was their idea'*. However, this same claimant also felt that if he found higher paying part-time work in future, he might declare earnings up to the level of the earnings disregard, but not report anything above this. This approach, and also wholly unreported occasional work, was described elsewhere in the study group, motivated in part by the perceived effect on benefits (and thus, overall income).

However, there was evidence that, for some people, a lack of knowledge about earnings disregards or permitted work led to non-reporting of earnings (in the belief that this was not allowed within the benefit rules), where in fact these people may have been able to report their work and keep a proportion of their earnings.

## 4.2 Understanding and experiences of the benefit system

A second broad category to emerge was that people's understanding of the structure of the benefits system, and their previous experiences of dealing with it, could affect their behaviour in reporting changes in circumstances. Understanding of the criteria on which their eligibility for benefits was assessed, perceptions of how the benefits authorities were linked, and understanding from experience of how the benefits 'cycle' functioned and how new claims were administered, were all factors in some people's reporting behaviour.

### 4.2.1 Understanding the benefit eligibility criteria

There were suggestions that people's understanding of the rules underpinning their benefit entitlement could influence their reporting behaviour. For example, a claimant who received Jobseeker's Allowance and was considering taking up voluntary work, was aware that this would need to be reported to Jobcentre Plus, as it would affect her availability for work. She understood that, while claiming Jobseeker's Allowance, she would only be able to do voluntary work for four hours a day, two days per week, because she had to be available for work the rest of the time. In contrast, a person who claimed Income Support felt that it was



not important to inform benefits authorities of any changes in his voluntary work because he was not receiving any income from this.

As mentioned in Chapter 2, some people had taken holidays of one or two weeks within the UK, while claiming Jobseeker's Allowance or Income Support, that had not been reported to the benefits authorities. One view from a Jobseeker's Allowance claimant was that it was not necessary to report holidays if they did not overlap with a 'signing' day. This view was informed by experiences of claiming Jobseeker's Allowance when benefits were paid by giro at post offices. Now that benefits were paid into bank accounts, this person felt that there would be little problem with being away from home, as he could draw out his money wherever he was (availability for work did not apparently feature in his thinking). As already noted, a person who received incapacity benefits had not realised that entitlement to these would be affected by a longer stay outside the country. Another view on why holidays would not need to be reported was that, if they had been paid for as a gift from a family member, rather than from one's own finances, this would not have any effect on one's entitlement to receive benefits: *'It was a Christmas present so they can't do anything if it's a present'*.

Lack of clarity about the means-tested nature of Pension Credit emerged as another potential source of claimant error, for example, one person's perception that no form of income could affect this benefit might conceivably lead to non-reporting of any changes in earnings or capital. On the other hand, another person explained how their knowledge of the capital limits for Pension Credit had influenced them in not reporting a sum of money that they had inherited, as this was below what they understood to be the threshold for means-testing:

*'I read the paper...about what I was to notify them for...I was still under the 6,000...so you know, I thought I was...all right without notifying them about that.'*

(Female, 70s, Pension Credit)

Some people who had older children living at home demonstrated different understandings of how the employment status of these 'non-dependants' could affect the household's entitlement to benefits. For example, one person, who received Housing Benefit, had informed the local authority when his son had signed off Jobseeker's Allowance to start self-employment. He had informed the Housing Benefit department of his son's predicted earnings, but was told that these were not high enough to affect the family's Housing Benefit claim. In contrast, another person whose son claimed Jobseeker's Allowance felt sure that even if his son moved into full-time employment, this would not affect the household's entitlement to Housing Benefit because the tenancy and Housing Benefit claim were in his own name. These examples demonstrate that incomplete understanding of the principle on which Housing Benefit is administered, namely a household means test, may have consequences for reporting changes in circumstances.

#### 4.2.2 Perceptions of structural linkages

People's perceptions of how various branches of the benefits authorities were or were not linked could have an effect on reporting behaviour.

Some people who received benefits from more than one benefits authority said that they reported annual benefit upratings as a change in circumstances, for example, someone who received Working Tax Credit and Housing Benefit said he would need to inform HM Revenue & Customs and the local authority about increases in Pension Credit. Likewise, a couple who received Housing Benefit and incapacity benefits informed the local authority of any increase in the latter. However, a more common perception was that there were certain channels of communication within, and between, divisions of the local authority and the Department for Work and Pensions and so some people did not report annual increases in their income maintenance benefit to the Housing Benefit office and vice versa. For example, when asked if increases in Income Support needed to be reported to the Housing Benefit office, one person said this was not necessary because *'they already know...they're linked up somehow, I don't know how but they are'*. Likewise, explaining why she did not think she would need to report increases in Pension Credit to the Housing Benefit office, another person said: *'It comes through their office. You know, it all sort of comes on the same pieces of paper from their office...It's probably a separate body but in conjunction, I would imagine'*.

Likewise, many council tenants (and some people renting from housing associations) did not report changes in their rent to the Housing Benefit office, because in their experience, Housing Benefit was adjusted 'automatically' each time the rent increased. As these people understood it, the council's rent office and Housing Benefit department liaised with each other to make the necessary adjustments and the claimant did not need to do anything about reporting the change.

One person said she had become aware of communications between her occupational pension provider and the local authority when she reported an increase in her occupational pension to the Housing Benefit office and discovered they had already received this information. Another person said that the benefits authority always knew when her occupational pension had increased and so this was a change that did not need to be reported. However, in some cases, there was perhaps an over-assumption of the extent to which pension providers, local authorities and the Department for Work and Pensions were linked, which could lead to non-reporting of changes in income or capital. For example, one person explained that he didn't need to inform Pension Credit and Housing Benefit about rises in his occupational pension because *'they know every penny I get'*.

Within the methods used in this study it is not possible, of course, to assess the accuracy of these accounts. The important point to note is that the perception that information was shared or passed between organisations affected some people's reporting behaviour.

### 4.2.3 System 'triggers'

There was some evidence that prior experience or knowledge of the benefits system could affect the extent to which people were proactive in reporting changes in their circumstances. It seemed that, when people knew that there would be an inquiry into their circumstances in due course, they may not approach the benefits authorities in the meantime. For example, some people whose children had left home to live independently said that they had reported this information on the next occasion that the local authority had sent out a form requesting an update on their circumstances. They had not reported this change to the Housing Benefit office as soon as it happened. Likewise, some people whose children had left full-time education were expecting to be contacted by HM Revenue & Customs in due course and waited until this time to provide the information.

The medical review/assessment process also appeared to influence the behaviour of some people who received incapacity benefits. Whilst some claimants explained that they had contacted benefit authorities when they felt that their health had changed (for better or worse), there were also people who noted that they had medical reviews scheduled in the coming months and said that they would wait until the time of this appointment to report any changes that might occur in their health in the meantime. Contrasting examples came from two people who had moved from Incapacity Benefit to Jobseeker's Allowance during the period of the research. One person had recognised an improvement in her health and had voluntarily approached Jobcentre Plus to move onto Jobseeker's Allowance, while the other person had changed benefits following a medical assessment that deemed him no longer to meet the criteria for Incapacity Benefit. This claimant agreed that, by this time, he did feel able to seek work. However, he had apparently not considered approaching Jobcentre Plus to report his improved health prior to the medical assessment.

### 4.2.4 Previous experiences of benefit administration

There was some evidence that the lengthy and complicated process entailed in making new benefit claims could deter some people from reporting changes in their circumstances that could potentially result in an **increase** in their benefits. One person, whose field of work necessarily involved intermittent phases of unemployment, had experienced such long delays in the process of claiming Council Tax Benefit each time he was out of work, that he had stopped claiming altogether, and so was missing out on a benefit to which he was entitled.

There was also some suggestion that the benefit rules could affect whether people **made** changes to their circumstances in the first place. In particular, some people talked about how the benefit taper and the length of time taken to reinstate benefits when making a rapid reclaim were deterrents to taking on part-time or temporary work or alternatively, could motivate non-reporting of such activities:

*'I've not even considered part-time work because if you go into part-time work and, depending on how many hours you take on, it affects your benefit.'*

(Male, 30s, Income Support)

While not directly affecting people's motivation to report changes or not, other aspects of the benefits system had an effect on the experiences and outcomes of reporting changes in circumstances. These are considered in Chapter 5.

### 4.3 Context of the change in circumstances

The third category of potentially influential factors moves beyond aspects pertaining to the benefits system itself and reflects how the contextual factors in people's personal and social lives might have an effect on their reporting of changes in circumstances. These include the stressful or emotionally charged situations they may be experiencing alongside, or as part of, their changed circumstances and also the responses of other people around them to their change.

#### 4.3.1 Personal circumstances surrounding the change

The data illustrated how, when people are undergoing stressful or preoccupying changes or events in their lives, informing the benefits authorities of these changes may not be at the forefront of their mind. For example, one person had experienced a dependent coming to live with them during the course of the research and explained that it had taken them a couple of weeks to inform benefit authorities because of the emotional circumstances of the situation. Another person, who had had a baby during the period of the research, had not yet registered the birth at the time of the final interview, but knew she would need to do this before she could claim additional Child Benefit and Child Tax Credit (which she already claimed for one child).

One person who claimed Housing Benefit but had moved house, had not been living at her new address for the first six weeks of her tenancy, due to health problems that meant she had stayed temporarily with family. She had been assisted in reporting her change of address by her social worker and her only direct involvement had been signing the change of circumstances form. She acknowledged that, at this time, her health condition meant she was not fully engaged with the process: *'I don't really remember it that much because of the state I was in'* and she was not sure whether the council had been made aware that she was not living at the property for the first six weeks of her tenancy. However, she assumed that her social worker would have made sure this was acceptable to the Housing Benefit office.

There were also people in the study group who had long-term mental health conditions, which meant they were sometimes or always unable to deal with aspects of their benefit claims. For example, a person suffering with depression found it very difficult to engage with any aspects of his financial affairs when his

mood was low and on these occasions would delay opening and dealing with official correspondence. Another person required guidance when completing forms and had encountered problems with her benefit when she had attempted to make a claim renewal unassisted.

The longitudinal research method also highlighted an interesting example of how recollection of reporting changes could be affected by stressful life circumstances. One person described in the second interview how she had been in person to the Housing Benefit office to inform them of a pending rent increase and was awaiting a decision on her new award amount. Four months later, in the final interview, this person thought she had not yet informed the Housing Benefit office of her rent increase, attributing this oversight to difficult events in her family life that had dominated her attentions:

*'It's purely negligence on my part that I haven't actually done anything about it, because personal circumstances like have been a bit erratic, you get a bit sidetracked don't you.'*

(Female, 60s, Pension Credit)

These examples illustrate both that emotional or stressful life events can put reporting changes in circumstances to the back of people's minds but also that people can forget, under such circumstances, that they have, in fact, reported a change.

### 4.3.2 Anticipated responses of others

A final motivating factor in people's reporting behaviour was the views or actions of others. One person, who claimed Income Support, had undertaken both part-time voluntary work and training during the period of the research. He explained that, although he knew neither activity would affect his benefits, he had informed the benefits authorities of these activities so that there would be no repercussions if a *'nosy neighbour'* took it upon themselves to report him as going out to work: *'Just to save any palaver, that they'd drag us in and think I've got a part-time job or something'*.

Showing somewhat different motivations, one person described how he would take different approaches to reporting occasional or more permanent paid work. While he sometimes did 'odd jobs' that went unreported, he explained that he would report a move in to regular employment, the main motivating factor in reporting this change being to avoid the embarrassment of being caught:

*'You must have seen it in the papers, people being done for benefit fraud and, it's embarrassing I bet, you know. It's bad enough, you know, going to Court for things like that but they really do crack down on you, and round here there's a lot of grassers, so, you know, a lot of people to sell you out.'*

(Male, 30s, Jobseeker's Allowance)

In an isolated but interesting case, a person who had an ongoing health problem and felt that he could be eligible for Incapacity Benefit, was reluctant to look into this because of the stigma attached to Incapacity Benefit in his local community.

## 4.4 Discussion

This chapter has shown that, while knowledge about the requirements to report changes in circumstances is an important influence on claimants' reporting behaviour, this knowledge can act in subtle ways, not all of which necessarily lead to timely and accurate reporting of change. Insufficient depth of understanding of the way 'change' is defined for benefit purposes may mean that people do not respond to changes in their circumstances immediately or do not recognise their circumstances as having 'changed' at all. There was evidence among the study group that an understanding of the criteria or 'benefit rules' on which one's eligibility for a benefit is assessed, might contribute to a clearer awareness of the changes in circumstances that might need to be reported.

At the same time, knowledge or perceptions of the rules surrounding benefits and the way that changes in circumstances could affect one's benefit entitlement, might also lead people to delay or decide not to report changes. This behaviour could be driven by anxieties that reporting a change could lead to a reduction or termination of one's benefit. Interestingly, the data also showed that people may opt **not to make changes** in their circumstances, or to 'tailor' their activities, so as not to create a reportable change in their circumstances.

Lastly, the data illustrate how factors unrelated to the benefits system, for example, events occurring in their personal lives, or the ways that others perceive their changing circumstances, may play a part in people's ability or inclination to report changes in a timely fashion.



## 5 Experiences and consequences of reporting changes in circumstances

This chapter considers the methods by which claimants' reported changes in their circumstances and their experiences of the process and consequences of reporting these changes. Experiences of reporting changes in circumstances are important to consider because they illustrate ways in which the timely and accurate reporting by claimants can be affected both by processes in place in the benefit system and people's understandings of those processes.

Section 5.1 describes the methods through which people reported changes in their circumstances to the various benefits authorities. Section 5.2 briefly considers people's experiences of these processes. Section 5.3 then explores the consequences that people experienced once they had reported changes to their circumstances. Whilst some people said that the process of reporting change had gone smoothly and that they had anticipated the resulting effect on their benefit(s), others had more negative experiences. For example, some people had experienced delays in the receipt of, or amendment to, benefits or described administrative errors which had resulted in financial hardship, stress and uncertainty.

In Section 5.4 we look at the experiences of people who had been overpaid benefit. The amount of direct data here was small, however, as only a few people in the study group had ever had an overpayment, either prior to, or during, the period of the research. Section 5.5 discusses the main points emerging from the chapter.

Many episodes of reporting changes in circumstances were straightforward experiences for the people in the study sample and understandably they had relatively little to say in the interviews about them. As might be expected, people had more to say when they felt that not everything had gone smoothly or they felt aggrieved at some aspect of the process. This chapter draws on these more



negative experiences in order to generate lessons for developing policy on reporting changes in circumstances.

## 5.1 Methods of reporting changes in circumstances

People in the study group had used a variety of methods for reporting changes in circumstances, usually choosing a method most suitable to them. Telephone calls, letters and visits to the relevant office were common and occasionally home visits had been requested. People had also sometimes used different methods of reporting the same change in circumstances to the same benefit authority at different times. For most people reporting changes had been unproblematic.

Whilst differences in reporting methods could be due to preferences and circumstances (for example, mobility problems meant that some people were not able to call in person at a benefit office), it was also clear that some people perceived that they **had** to report certain changes in their circumstances in a particular way and were unaware that they might have multiple reporting methods at their disposal, which could speed up and simplify reporting of changes.

Some people who had found paid work remembered signing off Jobseeker's Allowance by post. However, other people perceived that they 'had to' go in person to inform the relevant authority that they had found paid work. One person who thought she was required to report starting work in person, delayed for a month because of childcare and study commitments. The resultant overpayments of Income Support and Housing Benefit had subsequently caused the family considerable financial hardship.

Some people in the study group drew on the support of third parties in reporting changes in circumstances, for example to clarify when they should report changes to the benefits authorities, and to make contact on their behalf. Some received assistance from family members and others made use of trusted support workers with whom they had developed links due to physical or mental health conditions or other personal circumstances. There were examples in the data of parents, partners, social workers and advice workers involved in the process of reporting changes.

For example, one person who claimed an incapacity benefit described how she had started part-time work for just a few hours per week. At the time she was offered this job, she had been in contact with an employment support agency for several months and turned to the personal adviser for information on how this job would affect her benefits. The adviser assisted the claimant by drafting a letter for the benefits authority, which she then signed. The adviser had also informed her that this level of earnings would not affect Housing Benefit and so the local authority had not been directly informed of this change in circumstances.

When asked more generally about convenient ways of reporting changes in circumstances, study participants mentioned a range of methods and many

recognised that these were matters of individual preference. For example, people familiar with using e-mail and web sites thought that the option to report changes in this way would be useful. Other people were more comfortable with using the telephone to speak with benefits authorities and it was suggested that a freephone number would ease the cost to the claimant of reporting changes in their circumstances. Others again preferred to visit benefits offices in person, for example, because they felt more assured that the office had received and recorded the information on their change in circumstances.

Participants who found it difficult to leave their home (for reasons including limited mobility and mental health conditions) or who were not comfortable communicating over the telephone, said that home visits from benefit authority staff would be helpful. Indeed, some participants who had had a home visit in the past, either to report a specific change or for a routine update on their circumstances, commented that this had been a convenient and productive arrangement. It was also noted that completing official forms in collaboration with benefit authority staff could potentially save time, in that there would be less possibility of claimants making mistakes or omissions.

## 5.2 Experiences of reporting changes in circumstances

This section briefly highlights some of the comments made by participants about their experiences of contact with benefits authority staff when reporting a change in circumstances in person.

Some people found that when they had enquired about, or reported, a change in their circumstances, information from benefit authority staff was not always readily available or accurate. In some cases, people reporting changes in their circumstances had felt that staff did not have the required or expected amount of detail regarding the benefit rules. A claimant who had been on Jobseeker's Allowance and had started part-time work said that, when he had gone in to Jobcentre Plus to report this change, he had been given the wrong form to take away and fill in. Another person nearing the age at which he would be transferred from Income Support to Pension Credit, had repeatedly enquired as to the amount he would receive after the change over but staff had not been able to tell him.

When people experienced what they perceived as poor service, their future contacts with benefit staff could be affected. Some people who had experienced several instances of this kind said that they only wanted to deal with certain members of staff who they perceived '*knew what they were talking about*'. For example, one person who described numerous official errors with his Housing Benefit said that he only wanted to speak with the office manager:

*'They invariably get it wrong to start with, then they send you another letter amending it and then they send another letter amending that and...quite honestly I keep all the papers, I've got a file about that big, you know...I usually try to get hold of the office manager, you know...'cos I, I feel that some of these people who work for the Government are not up to it...'*

(Male, 60s, Pension Credit)

Whilst some people spoke highly of some of the staff in benefit authorities, others considered that some staff did not display appropriate attitudes towards claimants and that this could make them feel like a 'lesser person'; like they 'shouldn't be making this claim'; 'like a nobody' and 'looked down on'.

### 5.3 Consequences of informing about change

As noted already, many experiences of reporting changes in circumstances were said to have been straightforward for the people in the study group. However, there were numerous examples in the data of more challenging experiences. This section considers some of the negative consequences that people encountered once they had reported their changed circumstances. Firstly, Section 5.3.1 considers people's experiences of delays in processing adjustments to claims and administrative errors in recording the details of reported change, which in turn often led to under, or overpayments and resulting financial hardship. Secondly, Section 5.3.2 highlights less tangible consequences for claimants that resulted from dealing with these administrative problems and associated financial impacts.

#### 5.3.1 Processing delays, administrative errors and financial impacts

Some people had experienced what they considered to be unacceptable delays in receipt of, or adjustments to, their benefit once they had informed the relevant benefit authority about a change in their circumstances. Some reported that even though they had reported a change in their circumstances promptly, the time taken to process this information had led to them experiencing underpayments, overpayments or delays in receipt of their benefit.

For example, one person who was moving across local authority boundaries had informed the old Housing Benefit office in advance that they would be leaving the property but slow processing of this information meant that one month of Housing Benefit was paid to the previous landlord, who refused to return the payment. The claimant, therefore, had to meet this overpayment himself. Another person who had been reporting details of occasional work each fortnight, explained how a lag in the processing of this information had resulted in an overpayment and meant that their Jobseeker's Allowance was suspended for a fortnight at a later date.

Perceived mistakes made by benefits authority staff often led to financial hardship, confusion and frustration for claimants. Examples of such administrative errors included a person claiming Jobseeker's Allowance who had reported an upcoming

holiday. On their return they found out that the dates of the holiday had not been recorded correctly and consequently, the claimant's benefit had been stopped from the date they went in to Jobcentre Plus to report the change rather than the date on which they actually went away (a difference of around a week). Another claimant who had done a week of temporary agency work had gone to inform Jobcentre Plus in advance. However, the dates of this period of work had apparently been recorded wrongly, resulting in the loss of three weeks' benefit, rather than one. When the person queried this, they were told that nothing could be done because there was no evidence to identify where the error had occurred.

Another person who had reported a three-week holiday later found that an administrative error had recorded her as having been out of the country for five weeks. She was subsequently contacted several months later to say she had been overpaid by almost £300, and that this would be recovered from her. She had evidence to show that she had returned to the country after three weeks and to show that she had been in to Jobcentre Plus to make a rapid reclaim during the time she was supposedly still abroad. After going through what she described as two stages of appeal, she received a letter to say that the overpayment was 'non-recoverable' and would not be pursued further. While she was pleased with this outcome, she was angry both that it had taken so long for this matter to come to light and also that she had been '*treated like a criminal*' when she had done nothing wrong:

*'I just felt very disgruntled that I had done everything that they'd asked me to do and everything that it said in the guidelines and I'd read everything that they'd given me for advice and information on how to do this and how to do that and I just felt that they had thrown it back in my face.'*

(Female, 30s, Jobseeker's Allowance)

Some people described how staff errors had resulted in their benefit payments being delayed, stopped altogether or reduced because of 'overpayments'. Some people reported struggling financially and having no option but to borrow money from friends and family.

Some people noted that the transition from benefits to paid work was very difficult because of the gap between receipt of last benefit payment and their first wage. Others noted the difficulties encountered in making change in the opposite direction – the gap between their last wage and their first benefit payment. People who moved frequently between (low paid) work and benefit receipt also noted the gaps in payment and the financial instability that these regular moves could entail. Whilst some people who had made rapid reclaims for Jobseeker's Allowance reported no problems with the process, others did not perceive that such claims were rapid enough, especially when they considered that Jobcentre Plus already had all of their personal and previous claim details. For example, one person who moved between intermittent employment and benefit receipt felt that the rapid reclaim for Jobseeker's Allowance was time consuming and, in effect, '*like starting again*'.

Finally, other people noted the delay they experienced when changing from one benefit to another. One claimant who had signed off Jobseeker's Allowance to claim Incapacity Benefit had to wait six weeks for his claim to be activated, which he thought 'ridiculous'. This delay had also affected his Council Tax Benefit.

### 5.3.2 Anxiety, confusion and frustration

Related to the financial impacts of delays and administrative errors and the complexities of the benefits system, several people talked about more intangible effects of reporting changes in circumstances, such as worry, stress and confusion. In particular, some people referred to their anxiety at having been threatened with eviction because of a processing delay or administrative error with their Housing Benefit claim. One person who had experienced both delays and errors with their Housing Benefit after signing a new tenancy agreement, had to wait around five-and-a-half months for the situation to be rectified. During this time, the situation was a cause of anxiety for the claimant: *'It's just a nuisance, but it does get on your mind, you know, bothers you'*. He felt that communication between the various parts of the council had been ineffective and noted that other people in his situation might have paid the demands for full rent, not realising that an administrative error had occurred.

Similarly, some people noted problems where a number of agencies were involved in the process of amending benefit(s) to altered circumstances, explaining that they effectively had to identify and prompt one or other agency which might be holding up the process. This gave the impression that there was a lack of coordination between departments and agencies. For people experiencing sudden emotional changes, trying to inform and monitor the progress of multiple benefit authorities could be a very difficult and demanding process.

For some people, the impact of reporting changes on benefit entitlement was not always as expected. For example, one person mentioned that, having reported a period of temporary work they had been signed off Jobseeker's Allowance without their knowledge. Similarly, not everybody who was claiming Jobseeker's Allowance and had reported an upcoming holiday, had known in advance that they would have to sign off their benefit before going on holiday and make a rapid reclaim when they returned. One other person had been unaware that when they were taken off Incapacity Benefit, their Housing Benefit claim would automatically stop. In some cases, such unexpected impacts on benefits could be an unwelcome shock and a cause of financial hardship.

In contrast, as noted earlier, some people had reported what they thought to be a relevant change in their circumstances, only to find that their benefit was not affected. For example, some people who received an incapacity benefit and had reported the emergence of a new health condition, had been informed that this change did not matter for benefit purposes:

*'You get occasional letters off them saying if your circumstances change please let us know, so well they did change for the worse but they didn't take any notice of it.'*

(Male, 50s, Housing Benefit)

Whilst some people were not troubled by this, others felt that they were experiencing financial hardship (in part) because of the costs associated with their (or a dependant's) new or exacerbated conditions, which were not acknowledged within the criteria of the benefits system.

Some people also told of their frustrations at instances where they had, as they saw it, through no fault of their own, been unable to comply with benefit regulations and had been penalised financially. Moreover, some felt further aggrieved when they were told that there was 'nothing that could be done' to rectify their situation. For example one person received a letter from Jobcentre Plus saying that he had failed to attend a meeting and needed to attend another appointment on a given date that had already passed by the time he received the letter. This second 'failure to attend' resulted in the stoppage of his benefit. Having enquired into whether this situation could be rectified, he was told that there was nothing that could be done.

Another person had been taken off an incapacity benefit after having a medical assessment and had subsequently claimed Jobseeker's Allowance. This person had lost several days' benefit because they were told that they had not returned forms promptly enough, despite the fact that the forms had not arrived at their home until after the specified return deadline had passed. The claimant's appeal against this was turned down, which they found 'a bit harsh', feeling that they had done everything they could to return the forms promptly:

*'I got a letter back saying "Sorry, we regret to say that it's an insufficient reason, your claim will start at such-and-such, anything before that time, the reason isn't valid enough" and I thought "oh blinking great"... You know, if I'd have lied through me teeth I'd have probably got it but because I told them exactly what happened and it was the truth, it was almost as if to say "Well sorry it's just not good enough".'*

(Male, 30s, Income Support)

Similarly, another claimant had lost out on making a rapid reclaim for Jobseeker's Allowance because they were told that they should have contacted the Jobcentre earlier – over what was effectively a bank holiday – which he was unable to do because they were closed:

*'I find that extremely frustrating. Having been honest enough to give [Jobcentre Plus] the information they wanted and present myself as soon as I could, given that there was a Christmas and New Year period of holiday in between and bank holidays and so on, plus weekends, Saturdays and Sundays of course they're not available, it meant that the time to contact was limited. And I did contact them immediately, you know, they were back in work.'*

(Male, 50s, Jobseeker's Allowance)

Although many people in the study sample gave examples of negative experiences of reporting changes in circumstances or of the consequences of doing so, there was little in the data to suggest that attitudes towards reporting changes in the future were directly affected.

## 5.4 Experience of benefit overpayment and overpayment recovery

In each round of interviews, participants were asked whether they had any experience of benefit overpayments and overpayment recovery. Where people had experienced this, further questions explored how these overpayments had come about, the impact on the participant and their household and how they felt about the process of overpayment recovery.

Relatively few people in the study group had personal experience of overpayments and/or overpayment recovery. For some people, this had occurred a number of years previously, while for others, the experience was recent or ongoing at the time of the research interviews. Overpayments had variously been received on Housing Benefit, Jobseeker's Allowance, Income Support, Pension Credit and Working Tax Credit. In some cases, people said that overpayments had resulted from administrative error or delays in adjusting claims where a change in circumstances had been reported promptly. However, there were also some instances of overpayments occurring where the claimant had not been quick to report a change in circumstances or had not realised that they needed to report a change to a particular benefits authority.

In all cases where overpayments had been recovered by the relevant benefit authority, this had been done through a process of incremental repayments, deducted from benefits people were currently claiming.<sup>3</sup> Experiences of overpayment recovery of this type were mixed. For some people, the incremental repayments were perceived as manageable and there was no major effect on household finances or wellbeing. However, for other people, reductions in benefit payments were said

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<sup>3</sup> In giving anecdotal experiences of friends, relatives or other acquaintances, some people reported that overpayments had been demanded in one lump sum. However, this practice was not reflected in the personal experiences of people in the study group who had received overpayments.

to have caused significant financial hardship and impacted on family wellbeing. In such cases, overpayment recovery was a cause of worry and stress.

The experience of benefit overpayments and (potential or actual) overpayment recovery had prompted some people to become more vigilant in their awareness of their benefit claim status and to act more quickly in reporting any future changes in their circumstances:

Claimant: *'I've had occasion where I didn't tell them and what happens then is they backdate it and take it off you.'*

Researcher: *'So you've learnt through experience that they take...'*

Claimant: *'Yes through experience. Yes.'*

Researcher: *'Get down there...'*

Claimant: *'Double quick. Yeah.'*

(Male, 60s, pension credit)

*'It worries you, you know when you get this letter through saying "Oh well you've been paid, you know, so much and we're requesting it back" [...] I mean that's why I always do it, you know, if I start work I let them know straight away or if you let the Tax Credits know, I make sure that's one of the first things I do. If I start work or if I claim benefits, anything like that, for that fear of paying it back, it's not worth it.'*

(Male, 30s, Jobseeker's Allowance)

There were also people who had not had personal experience of overpayment recovery, who cited the **possibility** of overpayments as one of the factors motivating their prompt reporting of changes in circumstances. These people explained that they acted quickly so as to avoid overpayments occurring:

*'I have heard of it happening to other people and so yeah that's why I was quite quick in ringing up, let them know that I was working, to avoid that happening...Best to keep on top of it all the time really.'*

(Female, 20s, Jobseeker's Allowance)

*'If you don't do it on time, you could end up paying money back that, you know, if they overpay you and you have to pay it back you see, so it's always to your own interests to keep them informed.'*

(Male, 60s, Housing Benefit)

A number of people who had received notification of benefit overpayments were confused as to how this had arisen, not understanding why there had been an overpayment or how the amount that would be recovered had been calculated. However, some people's prior experiences of dealing with a system that they found complex and frustrating led them to accept these decisions without challenge, even when they did not understand or agree with the outcome.



On the other hand, there were some people who had appealed against the recovery of overpayments and had been successful in having the overpayment waived. Cases here included a claimant whose overpayment was due to administrative error and a claimant who had not realised that Working Tax Credit was still being paid to him when he left employment, having thought the deposit into his bank account was part of his Jobseeker's Allowance.

## 5.5 Discussion

As mentioned in the introduction, people in the study sample found little to comment on when changes in circumstances were reported without problems and changes to benefit made efficiently.

The principal problems people encountered, having reported changes in their circumstances, included delays in processing changes that led to hardship and mistakes made by benefit staff which could lead to underpayments, overpayments and again financial hardship. Other criticisms were made about staff who appeared to lack sufficient knowledge or who adopted inappropriate attitudes towards claimants. More fundamentally, for some claimants, problems were encountered stemming from not knowing what information to provide about a change and not understanding the requirement to report changes as soon as they had happened.

Another important finding from the interviews was that there could also be less tangible effects of reporting changes, such as stress, anxiety, confusion and frustration, which made the experience of dealing with benefit claims an unwelcome, negative experience.

It is clearly not possible to establish any kind of causal link between the types of negative experience presented in this chapter and reporting behaviour. However, it is probably safe to suggest that any negative experiences are not likely to foster a relationship of mutual trust and respect that might be expected to encourage engagement with the benefit system and benefit authorities. On the contrary, they are more likely to engender suspicion and mistrust which in turn might discourage people from contacting benefit offices when they should. In contrast, there was a small amount of evidence that experience of overpayment recovery or knowledge that overpayments could be recovered, influenced some people to be more mindful of the need to report changes promptly.

## 6 Conclusions, discussion and policy implications

### 6.1 Introduction

Error in the benefit system has been recognised as a persistent problem for a number of years. Losses due to error do not represent a high percentage of the total amount paid in benefits but nevertheless, translate into large sums of public money. As mentioned in the introductory chapter, latest official estimates put losses at £1.9 billion, £1 billion of which is attributed to errors by benefit claimants. The problem of error goes beyond financial loss, however. Administrative costs are generated by having to correct wrong payments, dealing with appeals and recovering overpayments. Claimants suffer from confusion, uncertainty and hassle and, in some cases, financial hardship from having to repay overpaid benefits.

This study has sought to increase understanding of the claimant experience of reporting changes in circumstances in order to inform continuing policy development on reducing error. The timing of this report (after the publication of Department for Work and Pensions (DWP's) strategy document *Getting welfare right* and a recent research report into changes in circumstances relevant to Housing Benefit claims (Boath and Wilkinson, 2007)) has allowed us not only to generate policy implications from this study but also to link these to the findings from these publications.

In this concluding chapter we will firstly attempt to draw some general conclusions from the highly varied experiences of the 51 people who took part in this study. We will identify what can act as barriers to the full, accurate and timely reporting of changes of circumstances before moving on to suggest what might be done to address those barriers.

In presenting policy options in the last part of the chapter we make the distinction between policies to **prevent** error entering the benefit system and those that seek to **remove** error once an incorrect payment is in place. Preventive ideas are discussed under two headings: **administrative** and **structural** options.

## 6.2 Barriers to reporting changes in circumstances

From the accounts of the people in this study we can suggest three dominant reasons why people do not report changes that are relevant to their claims. We will call these **knowledge deficits**, **avoidance behaviour** and **deliberate withholding**. In a study based on a non-representative purposive sample it is not possible to assess which of these reasons for not reporting changes is prevalent among the wider claimant population. Within this study however we gathered more examples of the first compared with the second and third. It should also be noted that for individual claimants these categories were not necessarily mutually exclusive.

### 6.2.1 Knowledge deficits

We have adopted the descriptive term **knowledge** deficits to cover the incomplete or inaccurate knowledge of the following:

- **what** changes should be reported;
- **when** changes should be reported;
- to **whom** changes should be reported;
- the rules of the benefits being received;
- links between benefit authorities and other relevant organisations.

There was evidence in this study of people having incomplete or inaccurate knowledge about benefits in general and reporting requirements in particular. Previous chapters have given examples of where people often gave rational accounts for not reporting changes because they 'knew' they were not required to. This inaccurate knowledge was sometimes based on a partially correct understanding however, for example where people (correctly) knew there were capital limits associated with benefits but (incorrectly) 'knew' that this was, say, £20,000.

In contrast to people who took decisions under the misapprehension they were doing the right thing there were also numerous examples where uncertainty about benefit or reporting rules led people to form their own judgments about whether to report. Lengths of hospital stays, holidays and other people staying in claimants' homes were all sources of uncertainty and non-reporting. Permitted levels of earnings or hours of working also caused uncertainty and led to non-reporting.

In Chapter 2 we set out what we call 'levels of understanding' about reporting changes in circumstances. At the lowest level of understanding we found that virtually everyone we interviewed was aware of the message repeatedly put out by either Jobcentre Plus or local authorities in a variety of ways, that they were required to report changes in their circumstances. However, understanding this general message was not sufficient to ensure that relevant changes actually were

reported. The phrase was not sufficiently clear to many people. Claimants were more likely to report changes if they recognised what type of circumstance they had to report, particularly changes in employment, household composition and (usually deteriorating) health. At a deeper level of understanding, some people 'knew' the specific changes they had to report and, therefore, those they did not need to.

It was interesting that for some people in the study group, the second level of understanding – knowing the types of circumstance that had to be reported – derived from their understanding of the basis of the benefit they were receiving, which was sometimes based on the information they had been required to provide on an initial claim form. Sometimes this was expressed as 'common sense' or 'obvious', such as getting a job, having a child or having a rent increase.

Another way in which people had incomplete or inaccurate knowledge concerned assumptions about how information was shared between different organisations that have some relevance in processing benefit claims. These included the various parts of Jobcentre Plus, The Pension Service, local authorities, landlords, tax authorities and private sector organisations such as occupational pension companies. Some people in the study group had made assumptions about transfers of information that did not take place which led to errors and incorrect payments.

### 6.2.2 Avoidance behaviour

We use the term avoidance behaviour to refer to situations when claimants had recognised a change in their circumstances but chose not to report it in order to avoid a perceived negative consequence. These negative consequences were either **substantive** where people feared a possible reduction in their benefit and/or a disruption to benefit payments or **procedural** when they were seeking to avoid confusing or stressful contact with benefit authorities (often referred to as 'hassle').

Avoidance behaviour often occurred when people were under some form of pressure or strain (for example, for health reasons or due to personal or family tensions) that affected their ability or willingness to engage with a range of everyday activities as well as their benefit claim.

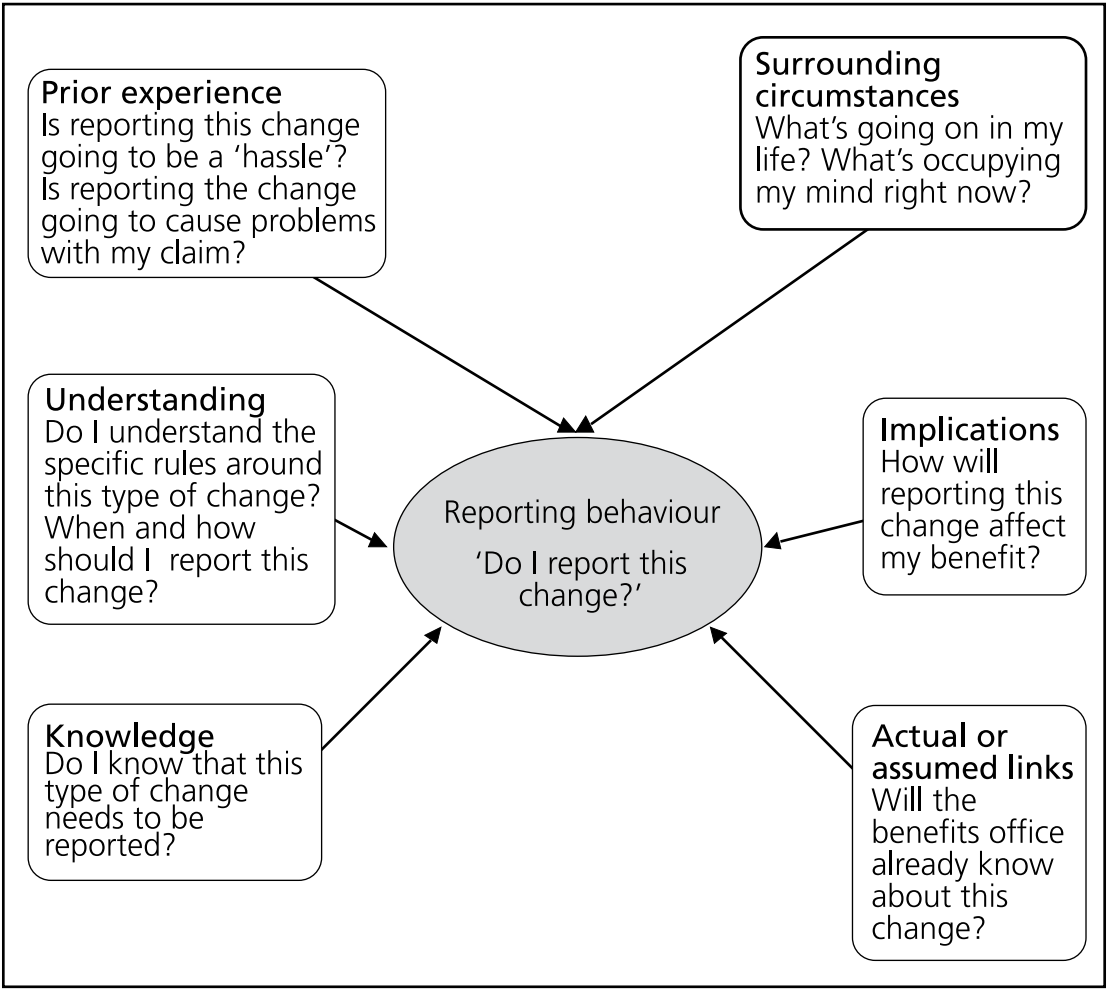
### 6.2.3 Deliberate withholding

Deliberate withholding of information about changes in circumstances could possibly be construed as a form of avoidance behaviour. However, the distinction we are making here is between people who were anxious about what **might** happen if they reported a change and those who were more certain of the consequences. Temporary increases in income, usually from one-off or short-term jobs, were the most common example here; not reporting holidays was another example.

People often offered explanations for their actions. Some people referred to the hassle of reporting short-term changes such as small jobs and the disruption that a change in their benefit would cause. Others made more principled objections against having to report changes they thought unfair.

Figure 6.1 attempts to convey the complexity facing claimants experiencing a change in their lives and the questions they might have to confront.

**Figure 6.1    The claimant perspective on whether to report changes**



In the following sections we apply the lessons from this research to ideas for reducing error by preventive means and by identifying and correcting errors after they have occurred.

## 6.3 Policy options for preventing error

In this section we discuss a number of policy options aimed at improving the timeliness and accuracy of reporting changes in circumstances. We can divide these into two categories:

- **administrative** options that could be considered within the current benefits system;
- **structural** options to the benefits system itself.

Some of these options are direct suggestions from the people in the study group. Others are drawn from insights from this research, the government's strategy document *Getting welfare right* and other sources such as published research reports.

### 6.3.1 Administrative options for preventing error

The prevention of error, rather than the later identification and correction of wrong payments, relies on changes in circumstances being notified to the relevant benefit authorities accurately and promptly. There are a number of ways in which this can happen: On one hand, benefit authorities can be proactive by **anticipating** changes. This might be done by utilising internal data sources or by some method of automatic notification of change by an external organisation to the relevant benefit authority. On the other hand, error can be avoided if claimants report changes in circumstances immediately and accurately when they happen.

#### *Proactive approaches by benefit authorities*

Anticipating change is not without precedent in the benefit system. People approaching retirement age are contacted by The Pension Service in order that retirement pension claims can be completed in advance and pension payments commence on time. Some other changes can also be predicted accurately. Boath and Wilkinson, for example, in their report on Housing Benefit changes in circumstances suggest that there are a range of changes amenable to prediction including annual pay increases, significant birthdays, rent changes, benefits changes, and tax credit changes (2007, p.39). Knowing the dates of changes in advance allowed some local authorities in their study to write to claimants to remind them of their obligation to report particular changes. It is interesting to note that while the advantages of anticipating changes might be effective in reducing potential error in individual cases, some authorities participating in the research had concerns that such practices might perversely 'send out the wrong message' that claimants need not report other changes and weaken understanding that claimants had the legal responsibility to report changes themselves.

The limitations of anticipating changes are also reinforced by official statistics on claimant error. DWP analysis of losses due to error for 2004/05 (ONS, 2006) show that 82 per cent of losses for working age people were due to non-reporting of five changes – income, capital, dependants, benefits and part-time earnings

– most of which could not be anticipated by Jobcentre Plus or local authorities. The picture is perhaps more encouraging for pensioners. Here, 81 per cent of losses were accounted for by only three changes – income, capital and benefits. There might be more scope, therefore, for anticipating annual changes in benefits or income from sources such as occupational or private pensions.

There is also some precedent within the administration of Housing Benefit for the automatic transfer of information about changes such as rent increases between different departments within a local authority. However, there is also potential for the transfer of relevant information between benefit authorities and other organisations. Exploring this option in depth was outside the remit of this project but improving links between organisations (including landlords) emerges as a recommendation in the research by Boath and Wilkinson and is endorsed in *Getting welfare right*.

From this analysis it seems clear that although there are opportunities for benefit authorities to anticipate changes, many of the more common changes that give rise to error cannot so easily be predicted. There are fewer examples of the automatic transfer of information and possibly less scope to increase these (for example, because of data protection restrictions). The conclusion that can be drawn, therefore, is that the reporting of most changes will, within the current benefit system, rely on claimants themselves knowing what to report and then notifying the appropriate benefit authority.

### *Improving reporting by claimants*

In an internal DWP document reviewing current knowledge from studies on fraud and error in the benefits system there is a useful distillation of what are called ‘the essential components of a well functioning benefits system’, the first of which is ‘everyone knows what the rules are and remembers them all the time’. While this is clearly unattainable, it corresponds to the finding from this study that **knowledge deficits** are a key barrier to accurate reporting on changes.

The conclusion that educating claimants is one of the main policy tools for reducing error is already well known (see for example Sainsbury *et al.*, 1996; Boath and Wilkinson, 2007; DWP, 2007) and DWP, Jobcentre Plus and local authorities are actively and continuously developing ways of increasing claimants’ knowledge.

Nevertheless, it is worth summarising the relevant lessons from this study. We have found a high level of awareness of the general responsibility to report changes but higher levels of incomplete or inaccurate knowledge about how that related to people’s individual circumstances. We can suggest that reporting changes in circumstances by claimants would be improved by the following:

- clearer information about what changes need to be reported (using Plain English and concrete examples);
- clearer information about benefit eligibility criteria and how benefits are calculated;

- information provided through a variety of channels and media (including written, radio and television);
- information provided verbally by benefit staff (reinforcing the message about reporting changes in face-to-face meetings);
- information provided verbally by trusted third parties;
- more **personalised** information;
- information repeated at appropriately frequent intervals (to keep knowledge updated).

As mentioned above, previous studies and Government policy thinking have arrived at similar conclusions. A continuing challenge for DWP and local authorities however, is **how much** information (i.e. what level of detail) should be provided to claimants. There are perhaps two findings from this study that are relevant here which might help to refine the approaches of DWP and local authorities to educating claimants:

First, our finding that there are different levels of knowledge suggests that increasing knowledge at the 'second level' would be a useful approach. The second level referred to the areas of life (such as employment, income, household composition, health) that are relevant for benefit purposes, rather than any greater detail (for example, earnings disregards or length of hospital stays). If people understood that **any** changes in circumstances in these areas should be reported then the level of reporting might increase. It was at the third level (i.e. knowledge of detail) that we found the most examples of uncertainty and inaccurate or incomplete knowledge.

There is clearly a trade-off to be considered here. Increasing the level of reporting might also lead to an increase in 'unnecessary' changes, i.e. those that would not affect the level of payment (such as a small increase in capital that does not reach the threshold).

Secondly, we found that people often wanted information about benefits and reporting requirements to be **personalised**. General encouragement to report changes was less helpful than information relating to their own claims and their own circumstances. There might be potential here for utilising data held on people's claims to customise reminders to them about keeping up-to-date the information used to determine their claim. This idea complements current policy thinking, in the DWP strategy document *Getting welfare right*, about introducing online 'customer accounts' that will allow claimants to check for themselves the details of their claims (DWP, 2007, p.27). The desire for more personalised information might also be addressed by another idea put forward in the strategy document to send claimants a 'pre-populated' letter six months after their claim asking whether their circumstances had changed.<sup>4</sup>

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<sup>4</sup> At the time of writing, however, we understand that this idea had not yet been implemented.



As we have noted, the evidence from this study is that one of the most important influences on whether people report changes in circumstances is what they understand they have to do. How people view the fairness of the rules of social security, the amounts of money they receive and their understanding of the sanctions and penalties they might incur, are certainly relevant to the way some people make decisions about reporting changes but these factors did not emerge strongly in the interviews we conducted. Nevertheless, the deterrent effect of sanctions and the requirement to repay overpayments can also play a role in educating claimants, particularly those whom we have described as **deliberately withholding** about changes in circumstances and possibly some people who adopt **avoidance behaviour**.

It is possible that if claimants had greater knowledge of benefits and reporting requirements then their confidence in dealing with benefit authorities would also be greater and that less of the **avoidance behaviour** identified in this study would happen. However, confidence and trust in benefit staff can also contribute to reducing avoidance behaviour. How these are enhanced, of course, goes well beyond policies to reduce error. The importance attached by claimants to the way in which they are treated by benefit staff has emerged from numerous other studies of the claimant experience. The evidence from this study is the same and points to the continuing need to treat claimants with consideration and dignity in their dealings with benefit authorities.

### 6.3.2 Structural options

Apart from administrative responses to the problem of error, there is a range of policy options aimed at the structure of the benefits system that have been raised over a number of years and which have received increasing attention in the past two years or so.

As mentioned in the introductory chapter, the complexity of the benefit system has recently received scrutiny from a number of influential bodies (National Audit Office, 2005; Public Accounts Committee, 2006; Select Committee on Work and Pensions, 2007). The case is made consistently that complexity can be a source of error and therefore, that simplification is desirable wherever possible. Simplification in these documents is discussed with reference not only to the rules of benefits themselves but also to the rules and requirements of reporting changes.

It is not the intention here to rehearse the arguments for and against incremental or radical approaches to simplification but the inference can be drawn from this study that the more simplification that is achieved then the greater the understanding will be of the benefit system by claimants, which in turn would lead to greater capacity to avoid error.

## 6.4 Policy options for removing error – reviews and checks

The rationale for this research was to increase understanding of social security claimants' reporting behaviour. We did not set out to generate understanding about how errors can be identified and corrected. However, it is important to acknowledge that an overarching policy goal of **reducing** error must include mechanisms for **removing** error by identifying and correcting it as soon as possible.

*Getting welfare right* and the Housing Benefit research by Boath and Wilkinson both include discussions on how routine benefit reviews, more targeted benefit checks on 'high risk' claimants and data matching between central and local government computer systems can provide opportunities for identifying mismatches or wrong payments that can then be investigated. Such approaches are clearly important in correcting wrong payments, reducing overpayments and combating fraud.

Identifying and correcting errors at an early stage has the clear advantage of keeping the amount of any overpayment to a level that would be less than if identified later. This would clearly be preferable for claimants than having to repay large overpayments later.

## 6.5 Concluding observations

The recent Government strategy document, *Getting welfare right*, sets out a three-pronged approach to the reduction of error in the benefits system based on prevention (at the initial stage of claiming a benefit), compliance (maintaining an accurate claim) and correction (identifying and putting right incorrect claims). This study has been aimed at increasing understanding about the second of these – compliance with the requirement placed on benefit recipients to report changes in circumstances promptly and accurately.

We have identified three distinctive reasons why people do not report changes when they should: knowledge deficits, avoidance behaviour and deliberate withholding of information. We found evidence of all of these in the study but more of the first than the other two. Of relevance to policy thinking we have also identified different levels of knowledge of benefits and reporting requirements, including a general understanding of the responsibility to report changes, a broader understanding of the types of change that should be reported, a deeper understanding of the details that need reporting and knowledge of the effect of changes on levels of benefit. However, we found many examples of uncertainty and incomplete or inaccurate knowledge that affected whether, or what, people reported.

Using this analysis we have identified a range of options for increasing claimants' knowledge and for ways in which benefit authorities might anticipate changes or

utilise information held by other agencies and organisations. We have suggested that in attempting to educate claimants further, a focus might usefully be placed on increasing knowledge about the types of change that need reporting and that personalised information is more likely to have resonance with people compared with general information or publicity.

In the longer term, however, there are also opportunities for simplifying the structure of the current system (including the rules of individual benefits and the rules on reporting changes in circumstances) that have the potential for reducing error. There is clear evidence that levels of claimant error on retirement pension (a benefit that has fewer rules and less stringent reporting requirements than most benefits) are much lower than for benefits such as Income Support and Jobseeker's Allowance (DWP, 2007). There is a strong *prima facie* case, therefore, for including simplification of benefits in the continuing policy debate about reducing error.

# Appendix Topic guides

## Claimants' experiences of changes in circumstances and the effect of recovering overpayments – Phase 2

### Topic guide for initial qualitative interview

- Introduce self.
- Explain the research is funded by the Department for Work and Pensions which is interested in finding out about how using the benefit system fits in with people's everyday life and experiences, and especially what happens with things change in people's lives.
- Explain the independence of SPRU.
- Explain that they have been asked to take part in the research because they have (recently) made a claim for [benefit X], and it would be helpful to get their experiences and views now and at two further times later on (whether still on benefit or not) to see if their views and experiences change.
- Explain that they can withdraw at any point from the research.
- So in this first interview we would like to talk about things like:
  - Your current situation and circumstances
  - Your experiences of claiming benefit
  - What's been happening in your life since you made your claim.
- The interview will take around one hour and will be in the form of a discussion.
- Ask permission to record the interview. Explain that recordings will be typed up by a professional typist.
- Explain confidentiality (i.e. that no one other than the research team will know who they are) and how the material collected will be used – a report for the DWP in which their views are included but not in a way that will identify them – kept anonymous.
- Assure them that taking part in the research will have no effect on any benefits or tax credits that they receive, or on any of their dealings with Jobcentre Plus or any other organisation now or in the future.
- Ask if they have any questions.
- Check informed consent.
- Give money gift.

## 1. CURRENT SITUATION AND BACKGROUND

### 1.1 Can we begin by talking a bit about your situation and personal circumstances at the moment?

- Age
- Household circumstances
- Employment status (self and other household members)
  - Check whether employment of self and relevant household members is stable or fluctuating/seasonal/etc.
- Caring responsibilities
  - Check whether fluctuates (e.g. part-time custody of children; varying adult care duties)
- Tenure
- Health

## 2. VIEWS AND EXPERIENCE OF THE BENEFITS SYSTEM

### 2.1 Thinking about the benefit system in general, I wonder if you could have a look at this list of statements for me (give respondent the flashcard, but researcher also read out each statement from their own flashcard).

DIFFERENT WAYS PEOPLE HAVE DESCRIBED WHAT THEY KNOW  
ABOUT SOCIAL SECURITY

“I know very little about my benefits”

“I know quite a bit about the benefit I’m on but not much beyond that”

“I am confident I know what I need to know about my benefits”

“I have a good understanding of how my benefit is worked out”

“I don’t really understand why I am getting the amount I do”

“I think the benefit rules are very confusing”

“I haven’t got a clue”

- Do any of these statements ring a bell with you?
- Probe further to explore their feelings about their understanding of the benefits system, e.g. why they do/do not feel confident.

### 2.2 [As necessary] Thinking about the benefits system in general, how would you describe your overall experience of dealing with the system/benefits office/local authority?

### 3. EXPERIENCE OF THE BENEFITS SYSTEM AND MAKING CLAIMS

- 3.1 Have you had much experience of claiming benefits in the past?
- keep it brief, but get a picture of the extent/range of their benefit history
- 3.2 Is this the first time that you've claimed [benefit X]?
- 3.3 Are you receiving any other benefits or allowances *at the moment*?
- probe re: a range of benefits if necessary
  - ask when claim(s) started
- 3.4 Can we talk a bit about your recent experience of making benefit claims?  
Let's start with when you claimed [benefit X]
- focus on more recent claims (as identified in 3.3), but cover a range of benefits where possible

For each claim:

- Reason for making the claim
  - Who did you have to talk to about it?
  - What was the process?
  - Anything go particularly well/smoothly?
  - Any problems?
- probe different experiences with Jobcentre Plus compared to Local Authority as relevant.

### 4. ESTABLISHING DIFFERENCES and EVENTS DURING MOST RECENT CLAIM

- 4.1 Thinking back to about six months ago, what were your situation and circumstances like then? [Go back further as necessary]

Prompt:

- household circumstances; employment status (self and other household members); caring responsibilities; tenure; health; anything else that was different then compared to now?

- 4.2 Would you say your circumstances have changed at all during this time?

- 4.3 Has anything else changed between then and now, even if it was just for a short time?

Prompt:

- household circumstances – comings and goings; employment status (self and other household members); caring responsibilities; tenure – moves, changes in rent; health; stays away from home (e.g. holidays, visiting friends/relatives. trips abroad)

## 5 EXPLORING EXPERIENCE OF CHANGES SINCE CLAIM

5.1 So, can I just recap then, x, y and z have happened while you've been claiming [benefit x]

*For each 'event' ...*

5.2 Does this affect your benefit(s)? [If claimed more than one simultaneously, explore all]

- explore both immediate and potential future effect (e.g. tax credits or Pension Credit)

(a) *If benefit was/will be affected ...*

- In what way was it/do you think it will be affected?
- Is that what you expect(ed) to happen?
  - Check expected changes to amount and to overall eligibility
- Did your benefit get changed without you telling anyone?
  - If so: what happened? (e.g. benefit review, 3<sup>rd</sup> party information)
- [As appropriate] ... Or did you tell someone about the change?
  - Why did you decide to tell someone?
  - Who did you tell? [check whether reported to one or multiple bodies, e.g. JC+, council tax office, pension service office]
  - How did you go about telling them?
- When did you tell them? (before/soon after/long after the change?)
  - Why then?
- Was it an easy process or were there any problems?
  - probe as appropriate

(b) *If benefit was not affected ...*

- Is that what you expected to happen?
  - Check expected changes to amount and to overall eligibility
- Did you tell anyone about the change?

*If they did tell someone ...*

- Why did you decide to tell someone?
- Who did you tell? [check whether reported to one or multiple bodies, e.g. JC+, council tax office, pension service office]
- How did you go about telling them?
- When did you tell them? (before/soon after/long after the change?)
  - Why then?
- Was it an easy process or were there any problems?
  - probe as appropriate

*If they didn't tell anyone...*

- Does anyone know about that change anyway?
  - If so: what happened? (e.g. benefit review, 3<sup>rd</sup> party information)
- Is there any reason why you didn't tell anyone about the change?
  - probe as appropriate



- 5.3 [As appropriate] Now that we've talked about all of those things, has anything else come to mind that's happened during this time? [If so, explore as above]
- 5.4 Have you been in contact with the benefits office/local authority for any other reasons since you made this claim?
- Who contacted who?
  - For what reason?

## 6. EXPECTED OR HYPOTHETICAL CHANGES

- 6.1 We've talked about the changes that have happened to you. Thinking more generally about people who are receiving benefits, what (other) types of changes in people's lives or circumstances do you think might matter to the amount of benefit that they get?
- How do you think these types of things might affect the amount of benefit people get? (DO NOT PROMPT unless necessary - benefit might go up; down; stop completely; stay the same)
  - Why do you think it would [go up/down/stop completely/stay the same]?
  - Where did you find out about this?
- 6.2 As far as you know, are you expecting anything else to change over the next few months?

### *If expecting changes...*

- What types of things might change?
- Do you think this could affect your benefit? How?
- Where did you find out about this?
- Do you think you'll tell anyone about this if/when it happens?
  - Who?
  - How?
  - When?
  - Why (not)?

## 7. INFORMATION SOURCES

- 7.1 We're interested to know how people find out about what they should do if things change in their lives when they're getting benefits.

### *If participant has described changes...*

- 7.2 Did you know that you needed to tell the benefit office/local authority about

**7.3 Thinking more generally, have you had any other information about what to do if things change in your life, since you made this claim?**

- What was this? Where/who did it come from? etc. ...
- If necessary, prompt with – ‘some people have mentioned seeing a statement on letters from the Department for Work and Pensions or at the Doctor’s surgery, saying something like: “if your circumstances change it may affect the amount of benefit you receive”’.

*If participant has not described any changes...*

**7.4 Thinking about the whole time from when you made your claim for [benefit(s) x] in [month] right up until now, have you had any information about what you should do if things change in your life?**

- What was this? Where/who did it come from? etc....
- If necessary, prompt with – ‘some people have mentioned seeing a statement on letters from the Department for Work and Pensions or at the Doctor’s surgery, saying something like: “if your circumstances change it may affect the amount of benefit you receive”’.

**7.5 [Ask to all] Was this a useful way to get information?**

- Content: did it tell you what you needed to know?
- Format: was this a useful way for the information to be presented?
- What content would be helpful for you in your situation?
- What format would you prefer?

<b>8. EXPERIENCE OF OVERPAYMENTS</b>
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**8.1 Sometimes, for one reason or another, people get an overpayment of their benefit, and then they have to pay some back. Has this ever happened to you?**

- probe re: a range of benefits if necessary

*If has personal experience...*

- What happened?
- WAS IT A RESULT OF A CHANGE IN CIRCUMSTANCES?
- If so: probe as appropriate re chain of events in (non-)reporting
- How did it affect you (and your family)?
- How do you feel about it now?

*If no personal experience...*

- Ask for any anecdotes e.g. from relatives, friends, etc.

## 9. CONCLUSION

- Thank respondent.
- Reassure of value of comments and anonymity.
- Ask if willing to be contacted for a telephone interview in a few months' time – **if so** check we have/ask for telephone number. Check if they expect to change

## Claimants' experiences of changes in circumstances and the effect of recovering overpayments – Phase 2

### Topic guide for second qualitative interview (1<sup>st</sup> telephone follow up)

#### Introduction

- Re-introduce self.
- Thank participant for continued involvement and remind that £10 money gift will be sent immediately after interview.
- Remind that the research is funded by the Department for Work and Pensions which is interested in finding out about how using the benefit system fits in with people's everyday life and experiences, and especially what happens with things change in people's lives.
- Remind of the independence of SPRU.
- Explain that they can withdraw at any point from the research.
- In this second interview we will cover much the same as our first conversation. I'd just like to catch up on:
  - What's been happening in your life since we last spoke
  - Any changes in your life
  - Any further involvements with the benefits system.
- Ask permission to record the interview. Explain that telephone conversation is being recorded and will be typed up by a professional typist.
- Confirm anonymity (i.e. that no one other than the research team will know who they are) and how the material collected will be used – a report for the DWP in which their views are included but not in a way that will identify them – kept anonymous.
- Remind them that taking part in the research will have no effect on any benefits or tax credits that they receive, or on any of their dealings with Jobcentre Plus or any other organisation now or in the future.
- Ask if they have any questions.
- Check consent: 'So can I confirm before we start, you're happy to go ahead with this stage' (get this orally on tape).

1. RECENT CHANGES
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Can we start by checking what's been happening in your life since we last spoke?

*Probe specifically on each of:*

- Changes to household composition
    - Living arrangements with partner/spouse
    - Number of adults
    - Number of children
  - Changes to caring responsibilities
    - Children left home
    - New custody
    - Caring for an adult
  - Changes to employment status and income (respondent and other household members)
    - Moved into/out of work
    - Changes in hours
    - Changes in earnings
    - Come into any money, increase/decrease in savings
  - Changes of address and/or tenure
  - Changes to rent amount
  - Changes in health condition
    - New condition since last spoke
    - Improvements/decline in existing condition(s)
  - Stays away from home
  - Ages of household
    - Participant or spouse reached retirement age since last spoke?
    - Children reached 16 or 18?
  - Anything else
- Prompt to check whether there have been any short-term changes in any of the above

*FOR ALL CHANGES...*

Does this affect your benefit(s)? [If claimed more than one simultaneously, explore all]

- explore both immediate and potential future effect (e.g. tax credits or Pension Credit)

*(a) If benefit was/will be affected...*

- In what way was it/do you think it will be affected?
- Is that what you expect(ed) to happen?
  - Check expected changes to amount and to overall eligibility
- Did your benefit get changed without you telling anyone?
  - If so: what happened? (e.g. benefit review, 3<sup>rd</sup> party information)
- [As appropriate] ... Or did you tell someone about the change?
  - Why did you decide to tell someone?
    - probe re sources of info: have they become (more) aware of what to do? Our influence? Other influences?
  - Who did you tell? [check whether reported to one or multiple bodies, e.g. JC+, council tax office, pension service office]
  - How did you go about telling them?
- When did you tell them? (before/soon after/long after the change?)
  - Why then?
- Was it an easy process or were there any problems?
  - probe as appropriate

*(b) If benefit was not affected ...*

- Is that what you expected to happen?
  - Check expected changes to amount and to overall eligibility
- Did you tell anyone about the change?

*If they did tell someone ...*

- Why did you decide to tell someone?
  - probe re sources of info: have they become (more) aware of what to do? Our influence? Other influences?
- Who did you tell? [check whether reported to one or multiple bodies, e.g. JC+, council tax office, pension service office]
- How did you go about telling them?
- When did you tell them? (before/soon after/long after the change?)
  - Why then?
- Was it an easy process or were there any problems?
  - probe as appropriate

*If they didn't tell anyone ...*

- Does anyone know about that change anyway?
  - If so: what happened? (e.g. benefit review, 3<sup>rd</sup> party information)
- Is there any reason why you didn't tell anyone about the change?
  - probe as appropriate

## 2. EXPECTED CHANGES FROM ROUND ONE

*If not already covered ...*

Last time we spoke, you also said you were expecting some things to change

- Refer to what was discussed in previous interview
- Probes as Section 1

## 3. OTHER CONTACTS

Have you been in contact with the benefits office/local authority for any other reasons since you made this claim?

- Who contacted who?
- For what reason?

*NB: Benefit upratings will be going on around the time of these interviews and may be fresh in the minds of participants – will be of interest to know if people felt they should report this/did report this.*

Check whether there has been any further developments in relation to changes discussed in initial interview (focus on those that were 'recent' in initial visit)

[If either of the above prompts discussion re overpayment recovery, go to Section 5]

## 4. EXPECTED CHANGES

As far as you know, are you expecting anything else to change over the next few months?

*If expecting changes ...*

- What types of things might change?
- Do you think this could affect your benefit? How?
- Where did you find out about this?
- Do you think you'll tell anyone about this if/when it happens?
  - Who?
  - How?
  - When?

## 5. RECENT EXPERIENCE OF OVERPAYMENTS

We spoke last time about how sometimes, for one reason or another, people get an overpayment of their benefit, and then they have to pay some back.

[As applicable] You explained to me when we met about how [précis their previous experience]

Has this been an issue for you at all in the last few months?

- What happened?  
Probe for specifics of:
  - which benefit (so which department)
  - how overpayment came about
  - if overpayments were recovered
  - how overpayments were recovered - taken off benefit weekly or in a lump sum
- WAS IT A RESULT OF A CHANGE IN CIRCUMSTANCES?
- If so: probe as appropriate re chain of events in (non-)reporting
- How did it affect you (and your family)?
- How do you feel about it now?

## 6. CLOSING

- Thank participant for their continued involvement.
- Any questions; anything to add not covered?
- Remind that £10 gift will be posted immediately.
- Confirm consent for final round of interviews in 3-4 months time (further £10 gift). Check if they expect to change number/address during this time.



Claimants' experiences of changes in circumstances and the effect of recovering overpayments – Phase 2

Topic guide for third qualitative interview  
(2nd telephone follow up)

Introduction
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- Thank participant for continued involvement.
- Remind that the research is: funded by the Department for Work and Pensions; carried out independently by SPRU; and that participation will have no effect on their benefits or dealings with government departments now or in the future.
- Remind of anonymity and confidentiality.
- Ask permission to record the interview.
- Check consent (get agreement on tape).
- Remind them that they can decline to answer any question and end the interview at any point.
- Explain that £10 money gift will be sent immediately after interview.

Explain:

- In this third and final interview we will start by covering much the same as our last conversations. I'd like to catch up on:
  - What's been happening in your life since we last spoke
  - Any changes in your life
- After that, I'd like to ask you some more general questions about how you feel the benefit system fits in with people's lives.
- At the end, we can talk about anything else that you feel is important about your experience of dealing with the benefits system.
- Do you have any questions before I go on?

## 1. RECENT CHANGES

Can we start by checking what's been happening in your life since we last spoke?

*Probe specifically on each of:*

- Changes to household composition
    - Living arrangements with partner/spouse
    - Number of adults
    - Number of children
  - Ages of household
    - Participant or spouse reached retirement age since last spoke?
    - Children reached 16 or 18?
  - Changes to caring responsibilities
    - Children left home
    - New custody
    - Caring for an adult
  - Changes to employment status and income (respondent and other household members)
    - Moved into/out of work
    - Started looking for work
    - Changes in hours
    - Changes in earnings
    - Changes in benefit receipt/amount
    - Changes in income from other sources, increase/decrease in savings
  - Changes of address and/or tenure
  - Changes to rent amount
  - Changes in health condition
    - New condition since last spoke
    - Improvements/decline in existing condition(s)
  - Stays away from home
  - Anything else
- Prompt to check whether there have been any short-term changes in any of the above

**PROBE RE ANY EXPECTED CHANGES FROM ROUND TWO, AND ANY FURTHER DEVELOPMENT RELATED TO CHANGES REPORTED PREVIOUSLY**

*FOR ALL CHANGES...***Does this affect your benefit(s)?**

- explore both immediate and potential future effect (e.g. tax credits or Pension Credit)

**(a) *If benefit was/will be affected ...***

- In what way was it/do you think it will be affected?
- Is that what you expect(ed) to happen?
  - Check expected changes to amount and to overall eligibility
- Did your benefit get changed without you telling anyone?
  - If so: what happened? (e.g. benefit review, 3<sup>rd</sup> party information)
- [As appropriate] ... Or did you tell someone about the change?
  - Why did you decide to tell someone?
    - probe re sources of info: have they become (more) aware of what to do? Our influence? Other influences?
  - Who did you tell? [check whether reported to one or multiple bodies, e.g. JC+, council tax office, pension service office]
  - How did you go about telling them?
- When did you tell them? (before/soon after/long after the change?)
  - Why then?
- Was it an easy process or were there any problems?
  - probe as appropriate

**(b) *If benefit was not affected ...***

- Is that what you expected to happen?
  - Check expected changes to amount and to overall eligibility
- Did you tell anyone about the change?

*If they did tell someone ...*

- Why did you decide to tell someone?
  - probe re sources of info: have they become (more) aware of what to do? Our influence? Other influences?
- Who did you tell? [check whether reported to one or multiple bodies, e.g. JC+, council tax office, pension service office]
- How did you go about telling them?
- When did you tell them? (before/soon after/long after the change?)
  - Why then?
- Was it an easy process or were there any problems?
  - probe as appropriate

*If they didn't tell anyone ...*

- Does anyone know about that change anyway?
  - If so: what happened? (e.g. benefit review, 3<sup>rd</sup> party information)
- Is there any reason why you didn't tell anyone about the change?
  - probe as appropriate

## 2. RECENT EXPERIENCE OF OVERPAYMENTS

We spoke last time about how sometimes, for one reason or another, people get an overpayment of their benefit, and then they have to pay some back. [As applicable] You've explained to me about how ... [précis their previous experience]

Has this been an issue for you at all in the last few months?

- What happened?  
Probe for specifics of:
  - which benefit (so which department)
  - how overpayment came about
  - if overpayments were recovered
  - how overpayments were recovered - taken off benefit weekly or in a lump sum
- WAS IT A RESULT OF A CHANGE IN CIRCUMSTANCES?
- If so: probe as appropriate re chain of events in (non-)reporting
- How did it affect you (and your family)?
- How do you feel about it now?

## 3. SOURCES OF INFORMATION

As you know, our project has been looking at people's experiences of what happens with benefits when things change in their lives.

Thinking about the whole time from when we first met for an interview back in [November/December/January], right up until now, have you had any information about what you should do if things change in your life?

- What was this?
- Where/who did it come from?

Was this a useful way to get information?

- Did it tell you what you needed to know?
- What content would be (more) helpful for you in your situation?
- Was this a useful way for the information to be presented?
- What format would you prefer?

#### 4. REFLECTION ON EXPERIENCES

So over the eight or nine months we've been in contact, you've told me about [a number of] changes in your life, including [*précis experiences that have been discussed*] and you've explained to me what happened when you were in touch with [JC+/Pensions/council] about this.

How could your experiences of dealing with those changes have been made easier for you?

- Probe re any difficulties that have emerged
- Probe especially where issues of information sources/provision and simplicity of reporting are highlighted

Can you think of a better way to have dealt with reporting these changes?

Do you think you would deal with reporting any changes differently in future?

- Why (not)
- What would you do differently?

#### RESEARCHER NOTE:

Use discussion of expected changes to probe concrete examples of the above.

As far as you know, are you expecting anything else to change over the next few months?

*If expecting changes ...*

- What types of things might change?
- Do you think this could affect your benefit? How?
- Where did you find out about this?
- Do you think you'll tell anyone about this if/when it happens?
  - o Who?
  - o How?
  - o When?

When we first met, we talked about what the phrase ‘changes in circumstances’ might mean. I’d be interested to know if your understanding of this has changed over the last eight or nine months.

What do you think they [JC+ etc] mean by ‘changes in circumstance’?

- probe thoroughly for perceptions/understanding:
  - which ‘circumstances’
  - what is ‘change’
  - What is clear about the phrase?
  - What is unclear/confusing about the phrase?

Has participating in this research project affected the way you think about or deal with the benefits system in any way?

- Have you learned something you didn’t know before?
- Have you tried to get more information?
- Have you talked to anyone (friends/CAB/JC+) as a result?

Prompts: Some people have said they...

- ... need to understand more
- ... need to be more careful
- ... feel more/less confident now

## 5. ANYTHING PARTICIPANT WOULD LIKE TO RAISE

That’s just about covered everything I wanted to ask about, thank you. This is the last time we’ll talk, so is there anything else that you feel is important about the experience of claiming benefits, that you’d like to tell me about?

## 6. CLOSING

- Thank participant again for their continued involvement throughout the project.
- Any questions; anything to add not covered?
- Remind that £10 gift will be posted immediately and ask them to return receipt.
- Explain that we will now be writing our final report for DWP and that when it is published, we will send them a summary of our findings. **Check if they expect to change their address** during this time.



# References

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